

# **City Council Finance Committee**

## **Meeting Agenda**

**Monday, July 16, 2018  
City Hall – Spruce Room  
749 Main Street  
7:30 a.m.**

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. Approval of the Minutes from the June 15, 2018 Meeting (page 2)
- V. Public Comments on Items Not on the Agenda
- VI. Presentation of 2017 Comprehensive Annual Financial Report (CAFR) and Communication in Compliance with AU-C 260 (page 9)
- VII. Dashboards (page 161)
- VIII. Review and Discussion of Financial Policies (page 163)
- IX. Revenue Projection Dashboard – Projections Dated July 6, 2018 (page 196)
- X. Financial Statements for the Quarter Ended June 30, 2018 (page 198)
- XI. Capital Improvement Program Report for the Quarter Ended June 30, 2018 (page 209)
- XII. Staff Reports/Discussions
  - Review of Damage Estimates from Hail Storm
- XIII. Possible Discussion Items for Next Regular Meeting – Scheduled for Friday, August 20, 2018 at 7:30 a.m.
  - Sales Tax Reports for the Quarter Ended June 30, 2018
  - Cash & Investment Report as of June 30, 2018
- XIV. Adjourn



# **City Council Finance Committee**

## **Meeting Minutes**

**Friday, June 15, 2018  
City Hall, Spruce Room  
749 Main Street**

### **CALL TO ORDER**

The meeting was called to order at 7:32 a.m.

### **ROLL CALL**

The following were present:

City Council: Mayor Muckle, Council Member Maloney, and Council Member Lipton

Staff/Others Present: Heather Balser, City Manager, Megan Davis, Deputy City Manager, Kevin Watson, Finance Director, Joe Stevens, Parks and Recreation Director, Kathy Martin, Recreation Superintendent, David Dean, Golf Course Superintendent, Emily Hogan, Assistant to the City Manager, Cara Golden, Accounting Manager, Penney Bolte, Tax Manager, and Michelle Van Pelt, Recreation Advisory Board Member

Absent: None

### **APPROVAL OF THE AGENDA**

Finance Committee Member Lipton approved the agenda as presented.

### **APPROVAL OF THE MINUTES FROM THE MAY 22, 2018 MEETING**

The Finance Committee Members approved the May 22, 2018 meeting minutes as presented.

## **PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA**

None.

## **DISCUSSION ON RECREATION CENTER SALES TAX AND TABOR ISSUES**

City Attorney Sam Light joined the meeting by phone. Attorney Light summarized the issues outlined in his June 11, 2018 letter to the Finance Committee. City Manager Heather Balser stated there are two separate issues; the excess recreation sales tax revenue anticipated to be collected in 2018, and the ongoing sales tax rate for 2019 and beyond. Manager Balser stated staff is seeking feedback from the Finance Committee as to whether additional information is needed before bringing to the full City Council, or whether the Finance Committee would like to recommend one of the proposed options contained in the City Attorney's letter.

The Finance Committee Members discussed the four options and determined their recommendation would be to take a "wait and see" approach until the first quarter of 2019. City Attorney Light and staff agreed. This would allow for an accounting of the actual 2018 revenue amounts and possible resolution or clarification of the pending litigation and its appeal regarding the TABOR restrictions.

Finance Committee Members requested City Manager Balser share the recommendation of the Committee with the other City Council Members at the July 12 retreat, and for staff to add the review of this matter to the Finance Committee's 2019 work plan for 1<sup>st</sup> quarter or early 2<sup>nd</sup> quarter 2019. Attorney Light stated that he would provide updates to the Finance Committee on any actions by other cities or with the appeal of the pending litigation.

City Manager Balser stated that the City will not be spending any recreation sales tax revenue above the \$575,000 amount stated in the 2016 ballot, and reminded Finance Committee members that any ballot issue for 2019 would have to be ready for 1<sup>st</sup> reading mid-July, 2019.

The corresponding memorandum can be located in the packet of the June 15, 2018 Finance Committee Meeting.

## **ANNUAL REVIEW OF FEES, RATES AND CHARGES**

Assistant to the City Manager Emily Hogan presented the listing of fees, rates and charges to the Finance Committee. Ms. Hogan reviewed the processes used by City staff to set such fees and rates.

Ms. Hogan stated that where rate models or fees studies, or other community or market comparisons are not used, that staff recommends the use of a 5% inflation

rate to annually adjust such miscellaneous fees. Ms. Hogan reviewed the inflation rate calculation with the Finance Committee Members and suggested that such fees be reviewed each July with a January effective date.

Finance Committee Member Lipton stated that the liquor license fees should also be subject to the 5% inflation rate. City Manager Balser stated that they would be increased up to the cap for fees set by the State. Finance Committee Chairperson Maloney stated that Building Permit fees are currently being reviewed and should be excluded from use of the inflation rate at this time.

Member Lipton asked if the use of an inflation escalator needs to be added to the City's Financial Policies. Director Watson stated that language can be added to the existing policy that requires fees to be increased by an annual inflator. The Finance Committee requested a draft of the amended policy be brought back to the Committee at its regular July meeting.

City Manager Balser asked when the annual review of fees, rates and charges should be completed. Member Maloney stated that the fees, rates, and charges should be reviewed and calculated prior to the start of the budget cycle. Chairperson Maloney also requested City Manager Balser present an overview of this new process to the full Council at the July retreat.

Mayor Muckle thanked Finance Committee Chairperson Maloney for his efforts regarding the City's fees, rates and charges and would like to see a fiscal policy regarding the setting of fees in lieu of review by the Finance Committee.

The list of fees, rates and charges, and corresponding narrative can be located in the packet of the June 15, 2018 Finance Committee Meeting.

## **CITY PROGRAMS, GOALS & KEY PERFORMANCE INDICATORS**

Assistant to the City Manager Emily Hogan presented the final redlines of the Key Performance Indicators (KPI's) and Goals, for 38 City Sub-Programs to the Finance Committee. Ms. Hogan stated that the Finance Committee, a Council Sub-Committee, and staff have worked diligently to complete these redlines.

City Manager Balser stated that these final redlines for 2019/2020 will be presented to the full Council at the July 3, 2018 meeting for any additional changes. Ms. Balser stated that once approved, staff will begin collecting data which will be due in August.

Finance Committee Chairperson Maloney stated that the challenge will be on how the data is collected rather than on the KPI's themselves.

The reports and corresponding narrative can be located in the packet of the June 15, 2018 Finance Committee Meeting.

## **DISCUSSION ON ASSET RENEWAL AND REPLACEMENT FOR RECREATION CENTER**

Finance Committee Member Lipton presented to the Committee and staff a draft financial model spreadsheet he developed of a 25-year Building and Equipment Renewal and Replacement Fund Projections for the Louisville Recreation & Senior Center.

Member Lipton stated that the model separates the building and the furniture, fixtures and equipment (FF&E) into two separate analyses and anticipates setting up separate reserves that would accumulate over a 25 year period.

Member Lipton stated that several assumptions were built into the model, including:

- 2%/yr. replacement for building over 25 years
- 3%/yr. inflation (for building and FF&E)
- 4%/yr. sales tax increase
- 5%/yr. cost of government increase
- 5%/yr. increase in user fees
- \$125K/yr. existing annual transfer from CIP to the Recreation Fund (the calculation currently used from the GreenPlay report for the old portion of the building) plus 3%/yr.

Finance Committee Member Lipton stated that Recreation Superintendent Kathy Martin performed an inventory and designated how much of the reserves would be spent for each year. Member Lipton stated that the building reserves would accumulate over the 25 years and would be spent in large lumps.

Member Lipton stated that this model is a conceptual tool or template that can be modified and also used for other areas of the City where physical facilities exist such as the Golf Course and Police Department.

Finance Committee Chairperson Maloney stated that the assumptions used assume the City will have stable revenues in the years to come. City Manager Balser stated that the model also assumes the City will be able to keep its incremental sales tax increase discussed earlier in the meeting. Manager Balser stated that she would like to see a footnote added to the model emphasizing this fact.

Recreation Advisory Board Member Michelle Van Pelt stated that she likes the portion of the model addressing FF&E and Building replacement costs, but not the amounts used for the revenue and expense portion. Ms. Van Pelt stated that the

model has only marginal use now due to the outdated GreenPlay estimates. Ms. Van Pelt stated that the revenue and expense portion of the model needs work and should include all revenue and expense amounts in the sources and uses section.

Director Watson stated that the sales tax will generate more than the incremental increases in the costs of expansion. Director Joe Stevens stated that the revenues will increase more than suggested in the GreenPlay report estimates.

Finance Committee Member Lipton stated that he is not sure the current subsidies from the General Fund will be needed, stating that there will be a lot of revenue offsetting the expenses. Member Lipton stated that he did not want to codify the current subsidies needed for Senior and Youth programs.

Chairperson Maloney stated that he would like the model to include all sources and uses within operations, at which time, the Recreation & Senior Center would become an enterprise fund. Director Watson stated that the City could carve out from the General Fund all associated revenue and expenditures and reclass to a Special Revenue Fund. The future General Fund subsidies would be transfers. City Manager Balser stated that making the Recreation & Senior Center an Enterprise Fund would be a huge philosophical change and would limit subsidies from other funding sources from its current 30-35% to just 10%.

Mayor Muckle stated that current cost recovery policies are in place and should continue to include the subsidies. Finance Committee Members and staff discussed creating a separate fund to include all costs and revenue and financial policies that set targets and include an annual subsidy from the General Fund. Member Lipton stated to keep an open mind as to the level of subsidies needed and to wait and see what the Recreation & Senior Center can do on their own.

Board Member Van Pelt stated that perhaps the subsidy should not be included in the model and to allow any deficits to illustrate that funding is needed from some other source. Finance Committee Chairperson Maloney stated that he is not certain what the details of a fiscal policy should be until such time as all the actual numbers are added to the proposed model. Chairperson Maloney requested the model be fine-tuned by Director Watson. Member Maloney requested a model be prepared for City Council that reflects current projections, sources, and uses of revenue, and a separate line item that shows the subsidies along with recommended targeted reserve amounts. The Committee and staff discussed that City Council would support a separate reserve and fiscal policies needed for the Recreation & Senior Center if the model and its results are defensible.

The reports and corresponding narrative can be located in the packet of the June 15, 2018 Finance Committee Meeting.

## **DISCUSSION ON ASSET RENEWAL AND REPLACEMENT FOR GOLF COURSE**

Finance Committee Chairperson Dennis Maloney presented the same model as discussed for the Recreation and Senior Center, but modified for the Golf Course.

Chairperson Maloney stated that the sub-committee has done some work but that he still wants to meet with staff to review the estimates for revenue and expenditures. Member Maloney stated that the model isn't working for the Golf Course, and the Golf Course is an enterprise fund.

City Manager Balser stated that the Long-Term Financial Model includes CIP assumptions. Director Watson stated that it also includes the leased equipment request from Director Stevens, even though the option is not affordable based on the revenue assumptions. Golf Course Superintendent David Dean stated that the payment term for the leased equipment can be modified from 5-years to 7-years.

Finance Committee Member Lipton asked how the building value of \$2.7M was determined. Director Stevens stated that the list value was obtained from the City's insurance carrier. Member Maloney and Member Lipton stated the value is too low and needs to be revisited. Member Lipton also stated that the renewal and replacement percentages need to be increased from the current 2% used in the model to 5% as it is an older building.

Director Watson stated that no subsidy line would be included for presentation at the budget retreat.

The reports and corresponding narrative can be located in the packet of the June 15, 2018 Finance Committee Meeting.

## **STAFF REPORTS**

### Analysis of "Outside City" by Industry

Tax Manager Penney Bolte provided the Finance Committee a Sales Tax Revenue by Industry report for the April filing period that allocates the "Outside City" area revenue only by business industry.

Ms. Bolte stated this report was generated in response to the Finance Committee's inquiry at the May meeting.

Finance Committee Chairperson Maloney stated the report is helpful to identify what types of industry purchases are being made by Louisville businesses and residents from businesses located outside the City. Member Maloney stated that

the City's economic development staff as well as the BRAD Committee may find this information useful in its efforts to recruit retail businesses and fill gaps.

Chairperson Maloney requested the report be made part of the minutes of this meeting and that it be provided to the Economic Development Director and BRAD Committee. Member Maloney also requested Manager Bolte include this report with the annual year-end sales tax reports.

The report can be located in the packet of the June 15, 2018 Finance Committee Meeting.

### **DISCUSSION ITEMS FOR THE NEXT REGULAR MEETING**

Finance Committee Members and staff discussed the items to be covered in the next few Finance Committee meetings.

The next regular Finance Committee Meeting is scheduled for Friday, July 20, 2018 at 8:30 a.m.

Items scheduled for discussion at the next meeting include:

- Presentation of CAFR and Discussion with Independent Auditors, Eide Bailly
- Financial Policies
- Budget Retreat Follow-up
- Dashboards

The CIP reports and discussion are delayed.

The Finance Committee stated that the 2<sup>nd</sup> Quarter Financial Statements may be presented at the July or August Finance Committee Meeting at Director Watson's discretion.

### **ADJOURN**

The meeting was adjourned at 9:10 a.m.



**SUBJECT:                   PRESENTATION OF 2017 COMPREHENSIVE ANNUAL  
FINANCIAL REPORT (CAFR) AND COMMUNICATION IN  
COMPLIANCE WITH AU-C 260**

**DATE:                       JULY 16, 2018**

**PRESENTED BY: EIDE BAILLY LLP**

**SUMMARY:**

Attached is the City's 2016 Comprehensive Annual Financial Report (CAFR). A hard copy of the report was distributed to City Council and staff earlier this month.

In compliance with Statements on Auditing Standards (SAS), as codified into AU-C Sections, also attached is a draft letter from Eide Bailly LLP, the City's independent auditor. This is standard communication and reviews management's responsibilities, accounting estimates, disclosures, and any difficulties, misstatements, or disagreements that occurred during the audit engagement.

Sarah Kurtz, Partner with Eide Bailly LLP, will be at the meeting to discuss both the CAFR and the AU-C 260 letter.



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2017

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CITY OF LOUISVILLE, COLORADO



# **Comprehensive Annual Financial Report**

**For the Year Ended December 31, 2017**

**PREPARED BY:**

Department of Finance

Kevin Watson, Director of Finance

Cara Golden, Accounting Manager

Barb Kelley, Senior Accountant

Diane Kreager, Accounts Payable & Collections Supervisor

Penney Bolte, Tax Manager

**COVER DESIGN:**

Meredyth Muth, Public Relations Manager

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June 1, 2018

Citizens, Mayor Muckle, Members of the City Council:

We submit to you the Comprehensive Annual Financial Report (CAFR) of the City of Louisville for the fiscal year ended December 31, 2017. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data reflects accurately in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the City. We have also included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities. We also suggest that readers of this document review the Management's Discussion and Analysis section for a more detailed discussion on the financial information.

This report includes all funds of the City. In addition, the Urban Revitalization District meets established criteria for inclusion in the reporting entity and, therefore, is also included within this report.

## **ECONOMIC CONDITION AND OUTLOOK**

The City of Louisville has often been recognized for its livability. Money magazine named Louisville No. 1 in its 2009 and 2011 "Best Place to Live" issues and No. 2 and 4 respectively in 2013 and 2015. Many things contribute to this exemplary quality of life and positive economic condition. Among other things, we have beautiful open spaces and parks around and throughout the City, dozens of great eateries, a thriving arts and music scene, great neighborhoods, among the best schools in the State and numerous job opportunities with employers such as Sierra Nevada Space Systems, Medtronic Navigation, Avista Hospital, Fenix Outdoor, Fresca Foods, and other employers expanding and moving to the community. As the first Money article noted, "Add in dry, clear weather, little crime, good health care, low taxes, and Louisville is pretty tough to beat."

Louisville is located in the Denver metropolitan region, approximately 6 miles east of the City of Boulder and 25 miles northwest of Denver. Louisville has an incorporated area of approximately 7.9 square miles and a population of approximately 20,000. The City's residential growth peaked in 1992, then remained fairly steady through the 2010 census, and then picked up in the past several years as the last large developable parcels build out and the City nears the target population of about 23,000 that is reflected in the City's Comprehensive Plan. There is significant activity on the commercial land available in

Louisville as the City is strongly influenced by the U.S. Highway 36 corridor from Denver to Boulder, proximity to nearby national laboratories and universities, easy access to Denver International Airport, and numerous world-class recreational and cultural opportunities.

## MAJOR INITIATIVES IN 2017

### Strategic Goals and Strategies

The City of Louisville Home Rule Charter states that the City's mission is to provide basic municipal services in an efficient and cost-effective manner and maintain the qualities that make Louisville unique by protecting and preserving the City's scenic, historic, and aesthetic features through open and ethical government in which every member of the community has an opportunity to participate. To help achieve this mission, the City uses a program-based budget with the 10 program areas listed below. Each of the 10 program areas is further divided into sub-programs in which revenues and expenditures are tracked. Progress toward the goals and objectives of each program and sub-program is measured by monitoring key performance indicators.

Programs	Goals	Sub-Programs	Key Performance Indicators
Transportation	A safe, well-maintained, effective and efficient multi-modal transportation system at a reasonable cost.	Planning and Engineering	Accessibility & mobility index; % of trip types; compliance with OCI & per capita policy objectives; measured satisfaction levels; streets & trails plowed & public buildings shoveled within timeframe.
		Transportation Infrastructure	
		Maintenance	
		Streetscapes	
		Snow & Ice Removal	
		Public Works Administration	
Utilities	Ensure safe, reliable, great tasting water; properly treated wastewater; effective stormwater control; successfully managed solid waste; and competitive prices for all services.	Water	Compliance with all regulations; minimal complaints; competitive prices; effective conservation of resources; measured satisfaction levels.
		Wastewater	
		Stormwater	
		Solid Waste, Recycling and Composting	
Public Safety & Justice	Police and other City staff working with the community to help ensure safety; satisfy residents' expectations that individuals observe the City's Municipal Code and State Law; and the justice system is fair, effective and efficient.	Patrol and Investigation	Everyone knows their neighbors; low crime & Code violation rates; measured satisfaction levels.
		Code Enforcement	
		Municipal Court	
		Police Department Building Maintenance	
(continued)			

Programs	Goals	Sub-Programs	Key Performance Indicators
Parks	Provide well-maintained parks and landscaped areas that are easy to walk to and enjoyable to visit or see; sports facilities that are fully used and properly maintained; and a suitable final resting place that meets community needs.	Parks	Maintained to established criteria; maintain tree inventory; moving to desired level of tree diversity; stable or declining cost per acre; measured satisfaction levels.
		Cemetery	
Open Space & Trails	Acquire candidate properties as they become available and preserve, enhance and maintain native plants, wildlife, wildlife and plant habitat, cultural resources, agriculture and scenic vistas and appropriate passive recreation.	Acquisition	Maintained to established criteria; cost per acre & per mile; measured satisfaction levels; productive relationships with owners of candidate properties.
		Maintenance and Management	
		Education and Outreach	
		Trail Maintenance	
		New Trails	
Recreation	Promote the physical, mental and social well-being of residents and visitors through a broad range of high-quality, reasonably priced recreation and leisure activities for people all ages, interests and ability levels.	Youth Activities	Participation rates; fees reflected adopted cost recovery; facilities maintained to established criteria; measured satisfaction levels.
		Adult Activities	
		Senior Activities and Services	
		Aquatics	
		Recreation Center Management	
		Athletic Field Maintenance	
		Recreation Center Building Maintenance	
		Golf Course	
Cultural Services	Provide services, facilities and activities that inform, involve, engage and inspire the community and preserve the community heritage.	Library Services	Good participation; relevant, accessible materials; measured satisfaction levels.
		Museum Services	
		Cultural Arts & Special Events	
Community Design	Sustain an inclusive, family-friendly community with a small-town atmosphere; effective and efficient building services; and effective preservation of the City's historic structures through a voluntary system.	Community Design	Measured satisfaction levels; walkability index; Code compliance; fees reflect costs; achievement of preservation goals.
		Development Review	
		Historic Preservation	
(continued)			

Programs	Goals	Sub-Programs	Key Performance Indicators
<b>Economic Prosperity</b>	Promote a thriving business climate that provides job opportunities, facilitates investment and produces reliable revenue to support City services.	Business Retention and Development	Vacancy rate; jobs per capita; resident filled jobs; sales, construction & consumer use tax revenue; building investment; economic indicators & trends.
<b>Administration &amp; Support Services</b>	Ensure inclusive, responsive, transparent, friendly, fiscally responsible, effective and efficient governance, administration and support.	Governance & Administration	Measured external & internal satisfaction levels; participation rates; comparison to established benchmark performance indicators & accomplishment of goals.
		Public Information & Involvement	
		City Clerk/Public Records	
		Legal Support	
		Human Resources & Organizational Development	
		Finance, Accounting & Tax Administration	
		Information Technology	
		Sustainability	
		Facilities Maintenance	
		Fleet Maintenance	

Consistent with these goals and objectives, City leaders and staff accomplished the following during 2017:

- Started construction on the Recreation/Senior Center and Memory Square Pool expansion, a \$28 million project
- Continued implementation of the Street Reconstruction and Pavement Booster Program to maintain the City's pavement infrastructure
- Completed the South Street Underpass, connecting Historic Downtown Louisville to Downtown East Louisville
- Initiating design on a Railroad Quiet Zone to significantly reduce train noise within City limits
- Completing construction on the new Wastewater Treatment Plant, a \$32.6 million project
- Acquiring the Mayhoffer property with Boulder County and the City of Lafayette for open space
- Replacing water and sewer lines to maintain the City's utility infrastructure
- Collaborating with Boulder County Housing Authority on the new affordable housing facility, Kestrel
- Continuing implementation of the City's new Enterprise Resource Planning System
- Adopting a Cultural Arts Master Plan and Police Department Master Plan

### PROJECTS PLANNED IN 2018

The City reviews and publishes its Five-Year Capital Improvements Plan on an annual basis. Planned City projects for 2018 amount to over \$50 million and include:

Project Description	Source of Funds	2018 Budget
Recreation Center Construction	Recreation Center Construction Fund	25,989,650
SH42 Short Intersection Construction	Capital Projects Fund	2,495,110
Railroad Quiet Zones	Capital Projects Fund	2,062,670
Street Reconstruction	Capital Projects Fund	2,000,000
SCWTP Pump Station Improvement	Water Utility Fund	1,872,500
Hwy 42 Multi-Use Underpass	Open Space & Parks Fund	1,800,000
Pavement Booster Program	Capital Projects Fund	1,500,000
NCWCD-Windy Gap FIRMING Proj	Water Utility Fund	905,000
Water Line Replacement	Water Utility Fund	853,170
Sewer Utility Lines	Wastewater Utility Fund	819,490
Tube Settler Replacement	Water Utility Fund	785,000
Louisville Lateral Ditch Pipin	Water Utility Fund	625,000
Trail Connections	Open Space & Parks Fund	620,870
BCHA Affordable Housing Assist	Capital Projects Fund	486,120
Water Plants Disinfection Eval	Water Utility Fund	472,780
BNSF RR Underpass/N Drainage	Capital Projects Fund, Storm Water Fund	300,000
CCS Drainage	Storm Water Utility Fund	250,000
Miners' Cabins Relocation	Historic Preservation Fund	223,000
Recreation Campus Restroom	Conservation Trust - Lottery Fund	206,400
Howard Diversion Upgrades	Water Utility Fund	134,000
Downtown Clay/Concrete Paver	Capital Projects Fund	125,000
Detention Pond Maintenance	Storm Water Utility Fund	115,500
Library Building Improvements	Capital Projects Fund	110,000
Water Tank Int Structure Maint	Water Utility Fund	105,060
Downtown Patios	Capital Projects Fund	100,000
Dwntown Surface Prkg Expansion	Capital Projects Fund	100,000

## FINANCIAL INFORMATION

City management is responsible for establishing and maintaining internal controls that are designed to ensure the assets of the City are protected from loss, theft or misuse. Also, management ensures that financial statements are prepared in conformity with generally accepted accounting principles through the compilation of adequate accounting data. Internal controls are designed to provide reasonable, but not absolute, assurance these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

**Budgetary Controls.** The City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also maintains an encumbrance accounting system

as one technique of accomplishing budgetary control. Encumbered amounts do not lapse at year-end and are generally re-appropriated the following year.

As demonstrated by the statements and schedules included in the financial section of the report, the City continues to meet its responsibility for sound financial management.

## OTHER INFORMATION

**Independent Audit.** State statutes require an annual audit by independent certified public accountants. The accounting firm of Eide Bailly LLP was retained by City Council for this purpose. Eide Bailly has issued an unmodified opinion on the City's financial statements for the year ended December 31, 2017. The auditors' report on the Basic Financial Statements is included in the financial section of this report.

**Awards.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Louisville for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2016. This was the twenty-seventh consecutive year the City of Louisville has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City of Louisville also received the GFOA's Award for Distinguished Budget Presentation for the 2017-2018 biennium. This was the twenty-eighth/ninth consecutive year the City of Louisville has received this award. In order to qualify for the Award, the City's budget document was judged to be proficient as a policy document, financial plan, operations guide, and communications device.

**Acknowledgments.** The preparation of this report would not have been possible without the efficient and dedicated efforts of the entire City staff. We especially thank all members of the City's Finance Department for their exceptional efforts and the staff of Eide Bailly LLP for the professional manner in which they have accomplished our audit and their assistance in the publication of the City's Comprehensive Annual Financial Report. We thank the Mayor, City Council, and Finance Committee for their effective fiscal and policy direction and their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully Submitted,

*Heather Balser*

Heather Balser  
City Manager

*Kevin C. Watson*

Kevin C. Watson  
Director of Finance



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Louisville  
Colorado**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

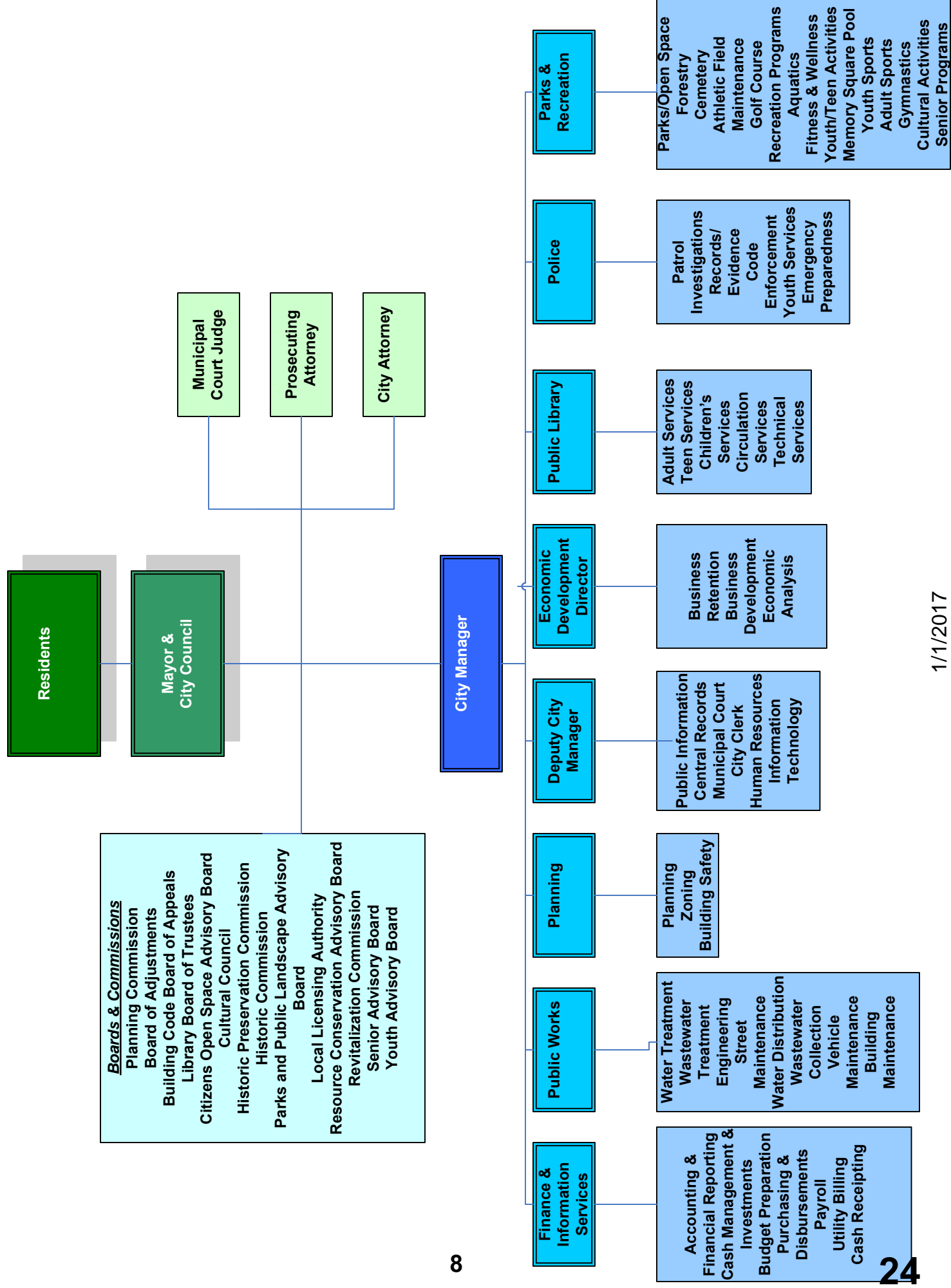
**December 31, 2016**

*Christopher P. Morill*

Executive Director/CEO

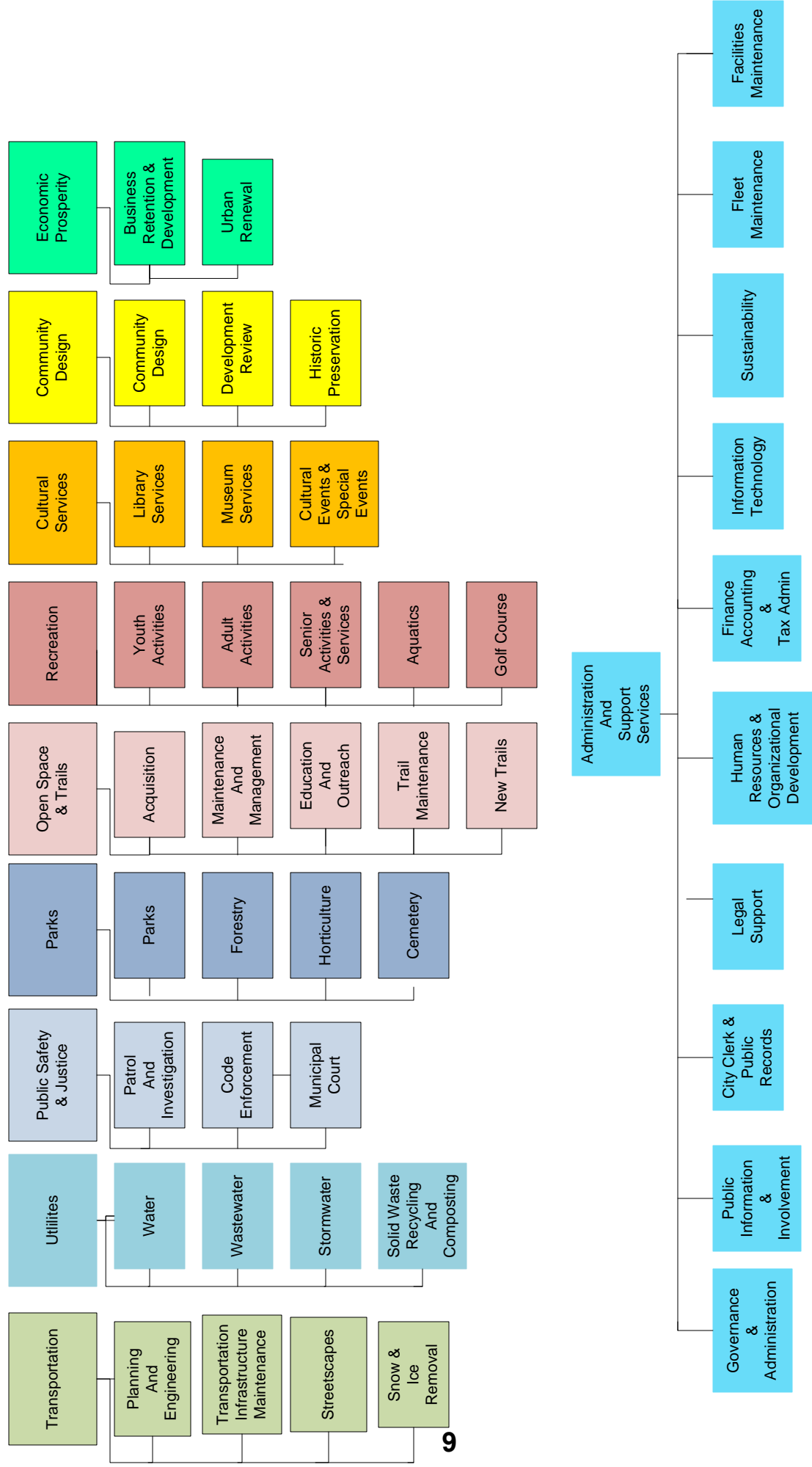


# City of Louisville Organizational Chart





# Organization Chart by Program



**City of Louisville, Colorado  
Directory of City Officials  
December 31, 2017**

---

**Mayor**

Robert P. Muckle

**City Council**

Ward I..... Jay Keany, Chris Leh  
Ward II..... Jeff Lipton, Susan Loo  
Ward III..... Ashley Stolzmann, Dennis Maloney

**Appointed Officials**

City Manager..... Heather Balser  
Deputy City Manager..... Megan Davis  
City Attorney..... Samuel Light  
City Clerk..... Meredyth Muth  
Municipal Judge ..... Kristan Wheeler  
Prosecuting Attorney..... Colette Cribari

**Department Directors**

Director of Economic Development..... Aaron DeJong  
Director of Finance..... Kevin Watson  
Director of Human Resources..... Kathleen Hix  
Director of Information Technology ..... Chris Neves  
Director of Library Services..... Beth Barrett  
Director of Parks and Recreation ..... Joe Stevens  
Director of Planning..... Rob Zuccaro  
Chief of Police ..... Dave Hayes  
Director of Public Works..... Kurt Kowar



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## Independent Auditor's Report

To the City Council  
City of Louisville, Colorado

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Louisville, Colorado (the City) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Louisville, Colorado, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information as listed in the table of contents to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Louisville, Colorado's basic financial statements. The introductory section, combining nonmajor fund financial statements, other budgetary schedules, statistical section, and local highway finance report are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining nonmajor fund financial statements, other budgetary schedules, and the local highway finance report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements, other budgetary schedules, and the local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### *Report on Summarized Comparative Information*

We have previously audited the City's 2016 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information in our report dated June 22, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Fort Collins, Colorado  
June 1, 2018



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## Management's Discussion and Analysis

This section of City of Louisville, Colorado's annual financial report presents the discussion and analysis of the City's financial performance during the fiscal year that ended on December 31, 2017. City staff encourages readers to consider the information presented here in conjunction with the transmittal letter at the front of this report and the financial statements, which follow this section.

### Financial Highlights

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$261.4 million (net position). Of this amount, \$115.1 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$13.8 million, or 5.6%.
- During the year, the City's revenue from taxes and other revenue for governmental programs exceeded the expenses by \$6.0 million. This change in net position for 2017 is \$1.5 million less than the change in net position for 2016.
- In the City's business-type activities, net position increased by \$7.8 million, or 6.5%.
- The City's total long-term debt, including compensated absences payable and the Urban Revitalization District debt, increased by \$26.6 million to \$73.2 million. This increase in long-term debt is due to the issuance of \$27.2 million of 2017 General Obligation Recreation Center Bonds.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$45.8 million, an increase of \$25.5 million from the previous year. Again, this large increase is due to the unspent bond proceeds from the 2017 General Obligation Recreation Center Bonds. Of the ending fund balance amount, \$6.6 million (14.3%) is deemed unassigned fund balance, \$33,000 (0.1%) is assigned, \$1.1 million (2.3%) is committed, \$37.4 million (81.7%) is restricted, and \$0.7 million (1.6%) is non-spendable.

### Overview of the Financial Statements

This annual report consists of four parts – *management's discussion and analysis* (this section), *basic financial statements*, *required supplementary information*, and a section that presents *combining statements* for non-major governmental funds and internal service funds. The report also presents budgetary comparison statements.

The basic financial statements include two kinds of statements that present different views of the City:

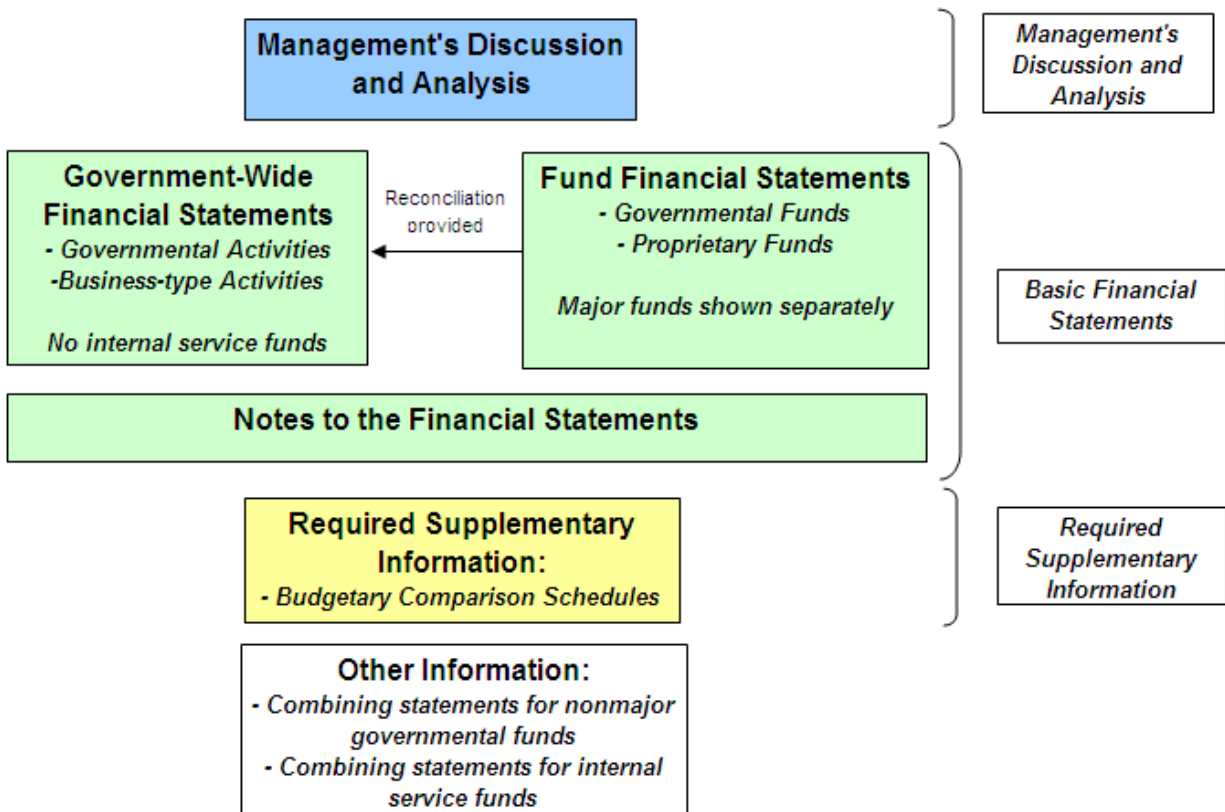
- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the City's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the City government, reporting the City's operations in *more detail* than the government-wide statements.

- The governmental fund statements tell how general government services were financed in the short term as well as what remains for future spending.
- Proprietary fund statements offer short-term and long-term financial information about the activities the government operates like businesses, such as utilities.

The basic financial statements also include *Notes to the Financial Statements* that explain some of the information in the financial statements and provide more detailed data. The basic financial statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure 1 shows how the individual sections of this annual report are arranged and related to one another.

Figure 2 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**Figure 1**





**Figure 2**

	-----Fund Statements-----		
	<b>Government-wide Statements</b>	<b>Governmental Funds</b>	<b>Proprietary Funds</b>
<b>Scope</b>	Entire City government	The activities of the City that are not proprietary, such as police, public works, and parks and recreation	Activities the City operates similar to private businesses: The utilities and the golf course
<b>Required financial statements</b>	<ul style="list-style-type: none"> <li>▪ Statement of net position</li> <li>▪ Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Balance sheet</li> <li>▪ Statement of revenues, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>▪ Statement of net position</li> <li>▪ Statement of revenues, expenses, and changes in net position</li> <li>▪ Statement of cash flows</li> </ul>
<b>Accounting basis and measurement focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
<b>Type of asset/liability information</b>	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
<b>Type of inflow/outflow information</b>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

### **Government-wide Statements**

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the City's assets and deferred outflows of resources and all liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the City, additional nonfinancial factors

need to be considered, such as changes in the City's tax base and the condition of the City's infrastructure.

The government-wide financial statements of the City are divided into two categories:

*Governmental activities* – Most of the City's basic services are included here, such as the public safety, public works, parks and recreation, library services, and general administrative services. Sales and use taxes, property taxes, other taxes, charges for services, and intergovernmental revenue finance most of these activities.

*Business-type activities* – The City charges user fees to customers to recover most of the costs of providing certain services. The City's water, wastewater, storm water, and solid waste utilities, as well as golf facilities, are included here.

## **Fund Financial Statements**

The fund financial statements provide more detailed information about the City's most significant *funds* – not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some funds are required by State law and by bond covenants. Other funds are established by the City Council to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

All of the funds currently used by the City can be divided into two categories: governmental funds and proprietary funds:

- *Governmental funds* – Most of the City's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.
  - The City uses *enterprise funds* (one type of proprietary fund) to report its business-type activities and provide more detailed and additional information, such as cash flows.
  - The City uses *internal service funds* (the other type of proprietary fund) to report activities that provide services and asset replacement for the City's other programs and activities – such as the City's Fleet Management Fund. These funds are reported with governmental activities in the government-wide financial statements.

## Government-Wide Financial Analysis

### Net Position

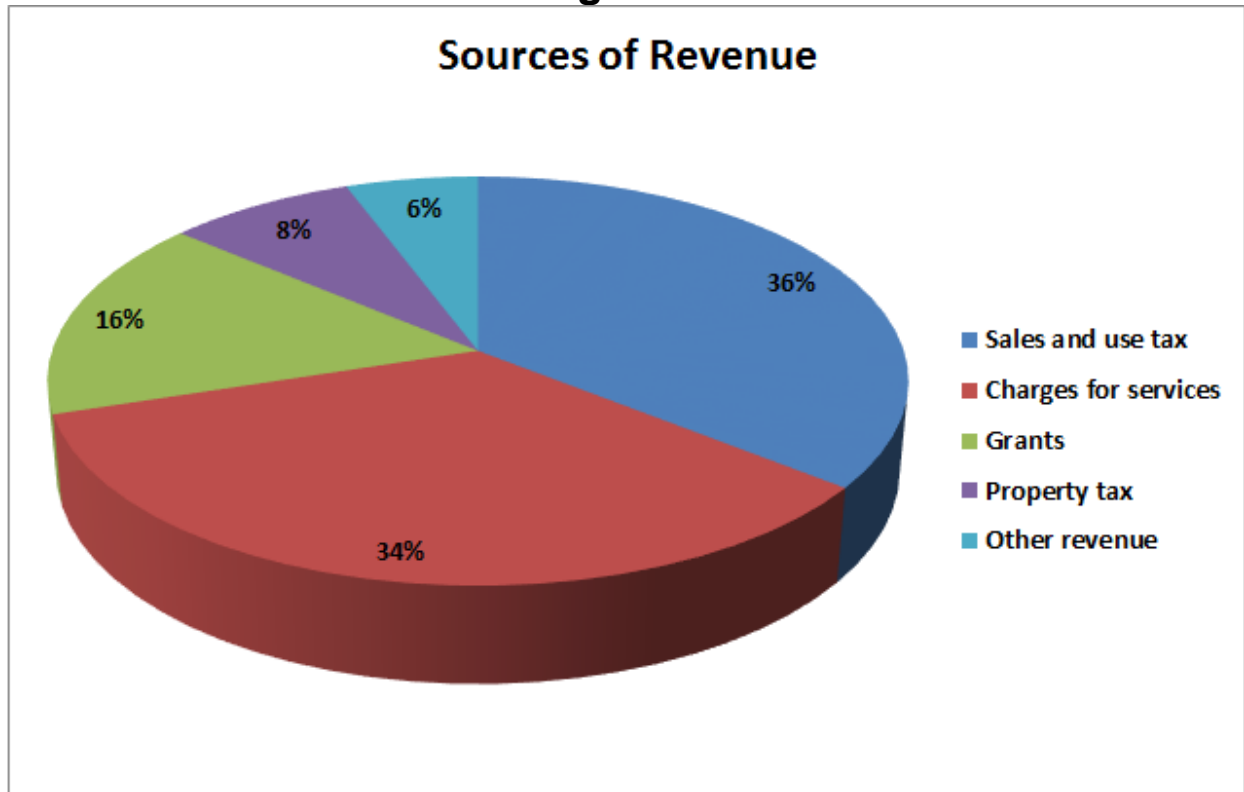
As of December 31, 2017, the City's assets and deferred outflow of resources exceeded its liabilities and deferred inflow of resources by \$261.4 million (Figure 3). This amounts to an increase in combined net position of \$13.8 million, or 5.6%, from 2016 to 2017. The largest portion of the City's net position (82.8%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Figure 3**  
Schedule of Net Position  
(millions)

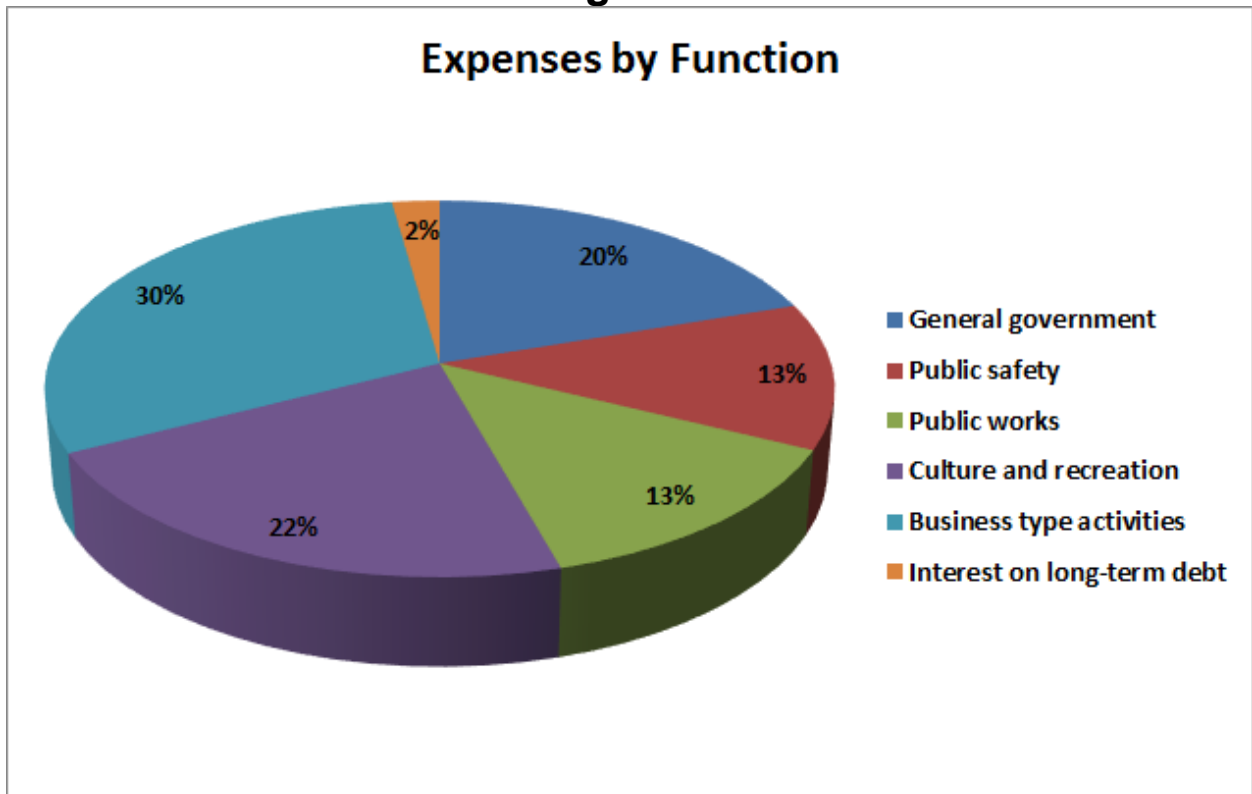
	Governmental Activities		Business-type Activities		Total		% Of Change
	2017	2016	2017	2016	2017	2016	
Current & Other Assets	\$ 57.9	\$ 32.3	\$ 29.4	\$ 32.6	\$ 87.3	\$ 64.9	34.5%
Capital Assets - Net	123.9	114.8	138.2	129.4	262.1	244.2	7.3%
Total Assets	181.8	147.1	167.6	162.0	349.4	309.1	13.0%
Long-Term Debt Outstanding	35.9	7.6	37.2	38.9	73.1	46.5	57.2%
Other Liabilities	4.5	6.6	3.5	4.0	8.0	10.6	-24.5%
Total Liabilities	40.4	14.2	40.7	42.9	81.1	57.1	42.0%
Total Deferred Inflows of Resources	6.9	4.5	-	-	6.9	4.5	53.3%
	6.9	4.5	-	-	6.9	4.5	53.3%
<b>Net Position:</b>							
Net Investment in Capital Assets	115.1	108.1	101.3	90.7	216.4	198.8	8.9%
Restricted	12.8	14.9	-	-	12.8	14.9	-14.1%
Unrestricted	6.6	5.4	25.6	28.4	32.2	33.8	-4.7%
Total Net Position	\$ 134.5	\$ 128.4	\$ 126.9	\$ 119.1	\$ 261.4	\$ 247.5	5.6%

Sales and use tax are the City's largest revenue source and account for 36% of all revenues (Figure 4). Sales and use tax are the main funding source for the City's governmental activities. Charges for services are the main funding source for the City's business-type activities and account for 34% of all City revenue. The City's largest expenses come from business activities that include water, wastewater, storm water, solid waste, and golf course services (Figure 5).

**Figure 4**



**Figure 5**



## Changes in Net Position

Governmental activities increased the City's net position by \$6.0 million during 2017. Business-type activities increased the City's net position by \$7.8 million during 2017.

**Figure 6**  
**Schedule of Changes in Net Position**  
(millions)

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 5.2	\$ 5.7	\$ 13.5	\$ 12.9	\$ 18.7	\$ 18.6
Operating Grants & Contributions	0.4	0.8	-	-	0.4	0.8
Capital Grants & Contributions	2.0	2.7	6.3	12.1	8.3	14.8
General Revenues:						
Sales & Use Taxes	19.3	17.6	-	-	19.3	17.6
Property Taxes	4.4	4.1	-	-	4.4	4.1
Investment Earnings	0.4	0.2	0.2	0.2	0.6	0.4
Other	2.5	2.3	0.1	0.1	2.6	2.4
Total Revenues	34.2	33.4	20.1	25.3	54.3	58.7
<b>Expenses:</b>						
General Government	8.0	9.9	-	-	8.0	9.9
Public Safety	5.1	4.8	-	-	5.1	4.8
Public Works	5.4	4.1	-	-	5.4	4.1
Culture & Recreation	8.8	5.7	-	-	8.8	5.7
Interest on Long-Term Debt	0.9	0.3	-	-	0.9	0.3
Consolidated Utility	-	-	8.9	7.8	8.9	7.8
Golf	-	-	1.8	1.8	1.8	1.8
Solid Waste & Recycling	-	-	1.6	1.6	1.6	1.6
Total Expenses	28.2	24.8	12.3	11.2	40.5	36.0
<b>Increase (decrease) in net position before transfers and extraordinary items</b>	6.0	8.6	7.8	14.1	13.8	22.7
Transfers	-	(1.1)	-	1.1	-	-
<b>Increase (decrease) in net position</b>	<u>\$ 6.0</u>	<u>\$ 7.5</u>	<u>\$ 7.8</u>	<u>\$ 15.2</u>	<u>\$ 13.8</u>	<u>\$ 22.7</u>

## Financial Analysis of Funds

As the City completed the year, its governmental funds reported a *combined* fund balance of \$45.8 million, an increase of \$25.5 million (125%) from the previous year. As previously stated, this large increase is due to the unspent bond proceeds from the 2017 General Obligation Recreation Center Bonds. Some items to be noted, within the various funds are:

- The *General Fund* balance increased by \$2.5 million to \$7.8 million during 2017. This increase was mainly due to a significant reduction in transfers to other funds. However, recurring annual transfers to the Open Space & Parks Fund and the Cemetery Fund are projected to resume in 2018.
- The *Open Space & Parks Fund* balance declined by \$1.4 million during 2017 due to significant capital asset expenditures and the lack of supporting transfers from the General Fund. As stated, the recurring annual transfers from the General Fund are projected to resume in 2018.
- The *Capital Projects Fund* balance increased by \$1.3 million during 2017. This increase was not anticipated and is due to a \$3.3 million positive actual-to-budget variance. Much of this unspent budget will be re-appropriated in 2018 in order to complete the unfinished capital projects that were originally approved for 2017.
- Two new governmental funds were established in 2017, the *Recreation Center Construction Fund* and the *Recreation Center Debt Service Fund*. The Recreation Center Construction Fund accounts for proceeds from the 2017 General Obligation Recreation Bonds and expenditure of those proceeds on the Recreation Center Expansion Project. The Recreation Center Debt Service Fund accounts for property tax revenue and the expenditure of that revenue for debt service on the 2017 General Obligation Recreation Bonds.
- On a budgetary basis, which approximates changes in total reserves, the *Consolidated Utility Fund* ended 2017 with a net loss of \$3.0 million. This is significantly less than anticipated due to a \$10.3 million positive actual-to-budget variance in capital outlay and \$1.8 million positive actual-to-budget variance in operations.

## Capital Asset and Debt Administration

### Capital Assets

At the end of 2017, the City had invested \$371.3 million (Figure 7) in a broad range of capital assets, including land, water rights, streets, and utility infrastructure. Net of accumulated depreciation, the City's capital assets total \$262.1 million. More detailed information on capital asset activity can be found in the notes to the financial statements, *Note 6: Capital assets*.

**Figure 7**  
**Net Change in Capital Assets**  
(millions)

	Governmental Activities		Business-type Activities		Total		Total % Of Change
	2017	2016	2017	2016	2017	2016	
Land, Easements, & CIP	\$ 42.4	\$ 37.1	\$ 8.2	\$ 34.0	\$ 50.6	\$ 71.1	-28.8%
Water Rights	-	-	31.1	31.3	31.1	31.3	-0.6%
Buildings	30.8	30.7	7.5	7.5	38.3	38.2	0.3%
Infrastructure	112.8	105.5	124.5	87.0	237.3	192.5	23.3%
Machinery & Equipment	8.7	7.7	4.1	4.4	12.8	12.1	5.8%
Capital Leases	0.1	0.1	1.1	1.1	1.2	1.2	0.0%
<b>Total</b>	<b>\$194.8</b>	<b>\$181.1</b>	<b>\$176.5</b>	<b>\$165.3</b>	<b>\$371.3</b>	<b>\$346.4</b>	<b>7.2%</b>

### Long-term Debt

On November 15, 2016, City of Louisville voters approved the issuance of up to \$28.6 million of general obligation bonds for the purpose of funding improvements to the Recreation/Senior Center and the Memory Square Pool facilities. Voters approved a mill levy of up to 3.35 mills to pay debt service on the bonds and approved a new sales tax of 0.15% to pay for operating and maintenance costs. On May 23, 2017, the City of Louisville issued \$27,215,000 of Limited Tax General Obligation Bonds, Series 2017. Additional information on the City's long-term debt is provided in the Notes to the financial statements, *Note 7: Long-term debt*.

**Figure 8**  
**Net Change in Long-Term Debt**  
(millions)

	Governmental Activities		Business-type Activities		Total		Total % Of Change
	2017	2016	2017	2016	2017	2016	
General Obligation Bonds	\$ 28.5	\$ 2.0	\$ -	\$ -	\$ 28.5	\$ 2.0	1325.0%
Revenue Bonds & Notes	-	-	35.3	36.9	35.3	36.9	-4.3%
Tax Increment Financing Bonds	4.5	4.5	-	-	4.5	4.5	0.0%
Capital Leases	0.1	0.1	1.0	1.1	1.1	1.2	-8.3%
<b>Total</b>	<b>\$ 33.1</b>	<b>\$ 6.6</b>	<b>\$ 36.3</b>	<b>\$ 38.0</b>	<b>\$ 69.4</b>	<b>\$ 44.6</b>	<b>55.6%</b>

### Bond Ratings

The 2004 Library Limited Tax General Obligation Library Bonds were issued with an insured rating (MBIA) from Standard & Poor's of AAA and an underlying rating of AA-. In early 2011, Standard & Poor's increased the underlying rating to AA. In early 2014, Standard & Poor's again increased the underlying rating to AA+.

On March 31, 2017, Standard & Poor's assigned a rating of AA+ with a stable outlook on the 2017 Recreation Center Limited Tax General Obligation Bonds.

### **Limitations on Debt**

The State of Colorado limits the amount of general obligation debt the City can issue to 3 percent of the actual value of all taxable property within the City's corporate limits. The current debt limit is \$161.0 million. In contrast, the City currently has only \$30.3 million in outstanding debt applicable to the debt limit.

### **Economic Factors and Next Year's Budgets and Rates**

- Factoring out business assistance rebates, total sales tax revenue increased by 13.5% from 2016 to 2017. Excluding sales tax audit revenue, sales tax revenue increases by 8.7%. Since 2011, sales tax revenue has increased every year with an average annual increase of 7.5%. These increases are due to various new retail establishments coming into the City and a general increase in overall taxable sales to existing businesses.

A new sales tax of 0.15% restricted for Recreation Center operation and maintenance will become effective on January 1, 2018, increasing the City's total sales tax rate from 3.5% to 3.65%. Staff projects sales tax revenue for 2018 will increase approximately 8.5% over 2017. Staff projects sales tax revenue will continue to increase at an average annual rate of approximately 3.3% for 2019 through 2024.

- In 2012, due to a general decline in assessed valuation, the City experienced its first decline in property tax revenue in many years. From 2013 through 2017, property tax revenue increased at an average rate of 4.8% per year. Due to a significant increase in the 2015 assessed valuation, property tax revenue for 2016 increased by 16.3% over 2015. This increase was due to a general property reassessment made by the Boulder County Assessor and new construction within the City. The City's 2017 assessed valuation, which along with the mil levy determines 2018 property tax revenue, increased by 17.4% over 2016. Staff expects the City's assessed valuation to increase at an average annual rate of 4%-5% for the next seven years.

From 2004 through 2017, the City's mil levy has remained at 6.710. Beginning in 2018, and applied to the 2017 assessed valuation, the mill levy will increase 8.869 mills due to the new mil levy for debt service on the 2017 General Obligation Recreation Center bonds. In 2019, the mil levy is expected to decline to 7.934, as the final debt service payment on the 2004 General Obligation Library bonds will occur in 2018.

- Building-generated revenue, defined as construction use tax, construction permits, impact fees, and utility tap fees, help fund the City's Capital Improvement Plan and, to a lesser extent, the operational budget. These revenue sources are highly elastic, fluctuate significantly from year to year, and are difficult to estimate in advance. For example, building-generated revenue increased from \$1.1 million in 2009 to \$13.6 million in 2016. The total amount for this consolidated revenue category in 2017 was \$9.0 million. Due to the City approaching build-out, staff estimates that this revenue source will average \$2.75 million per year over the next seven years.



- The City conducted a comprehensive utility system and rate study in late 2013 and early 2014. This study identified infrastructure replacements and improvements needed to enable the City's water, wastewater and storm water utilities to comply with new State and Federal regulations and to continue to provide safe and reliable water, and wastewater and storm water treatment. To fund these improvements, the City implemented a series of water, wastewater, and storm water rate increases from 2014 through 2017. Based on the latest analysis of the most recent projected costs and revenue, staff estimates average annual rate increases of 3% for water, 7% for wastewater, and 4% for storm water over the next seven years.

Staff and the City Council considered the above indicators when developing the City's final budget for 2018. Total budgeted expenditures for 2018, excluding inter-fund transfers, are currently \$88.9 million, which includes \$46.4 million in capital improvements.

### **Contact Information**

This financial report is designed to provide the citizens, taxpayers, customers, investors, and creditors of the City of Louisville a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to City of Louisville, Finance Department, 749 Main Street, Louisville, Colorado 80027, (303) 335-4500.



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## **Basic Financial Statements**



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**City of Louisville, Colorado**  
**Statement of Net Position**  
**December 31, 2017**  
**(With Comparative Totals for December 31, 2016)**

	Primary Government			Prior Year Total
	Governmental Activities	Business-type Activities	Total	
<b>Assets:</b>				
Pooled Cash and Investments	\$ 20,986,962	\$ 28,183,589	\$ 49,170,551	\$ 37,789,623
Restricted Cash	26,923,664	253,954	27,177,618	15,014,571
Receivables (net)				
Property Taxes	6,877,546	-	6,877,546	4,437,378
Sales and Use Taxes	1,904,593	-	1,904,593	1,817,501
Interest	37,452	51,016	88,468	66,064
Intergovernmental	438,501	3,700	442,201	4,562,771
Other	595,134	874,543	1,469,677	1,020,589
Inventories	19,864	23,414	43,278	42,967
Prepaid expenses	168,194	538	168,732	162,842
Capital assets:				
Non-depreciable capital assets	42,419,660	39,268,701	81,688,361	102,512,470
Other capital assets, net of depreciation	81,450,438	98,956,479	180,406,917	141,649,953
Total assets	181,822,008	167,615,934	349,437,942	309,076,729
<b>Deferred Outflows of Resources:</b>				
Loss on refunding	-	-	-	2,804
Total deferred outflows of resources	-	-	-	2,804
<b>Liabilities:</b>				
Accounts payable and accrued expenses	3,937,205	3,492,479	7,429,684	9,166,524
Deposits	561,487	-	561,487	1,352,122
Noncurrent liabilities:				
Due within one year	1,209,183	1,722,973	2,932,156	2,199,771
Due in more than one year	34,715,347	35,518,962	70,234,309	44,332,173
Total liabilities	40,423,222	40,734,414	81,157,636	57,050,590
<b>Deferred Inflows of Resources:</b>				
Deferred revenue - property taxes	6,877,546	-	6,877,546	4,437,378
Deferred revenue - other	48,920	-	48,920	47,605
Total deferred inflows of resources	6,926,466	-	6,926,466	4,484,983
<b>Net position:</b>				
Net investment in capital assets	115,130,035	101,245,580	216,375,615	198,879,102
Restricted for:				
Emergency reserves (TABOR)	1,024,122	-	1,024,122	906,260
Library debt service	791,707	-	791,707	738,420
Open space & parks	2,646,826	-	2,646,826	4,005,324
Conservation sites	488,997	-	488,997	643,699
Historic preservation	1,759,780	-	1,759,780	1,309,494
Capital improvements	5,462,208	-	5,462,208	6,775,788
Permanently Restricted for:				
Permanent fund - perpetual care	554,242	-	554,242	515,002
Unrestricted	6,614,403	25,635,940	32,250,343	33,770,871
Total net position	\$ 134,472,320	\$ 126,881,520	\$ 261,353,840	\$ 247,543,960

The notes to the financial statements are an integral part of this statement.

**City of Louisville, Colorado**  
**Statement of Activities**  
**For the Year Ended December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

Functions / Programs	Expenses	Charges for Services
<b>Primary government:</b>		
Governmental activities:		
General government	\$ 7,983,427	\$ 1,691,937
Public Safety	5,082,261	170,068
Public works	5,423,279	952,389
Culture & recreation	8,832,366	2,380,663
Interest on long-term debt	896,534	-
Total governmental activities	<u>28,217,866</u>	<u>5,195,057</u>
Business-type activities:		
Consolidated Utility	8,892,682	10,331,106
Golf	1,791,268	1,536,097
Solid Waste & Recycling	1,592,967	1,617,620
Total business-type activities	<u>12,276,917</u>	<u>13,484,823</u>
<b>Total primary government</b>	<u>\$ 40,494,783</u>	<u>\$ 18,679,880</u>

The notes to the financial statements are an integral part of this statement.

**Exhibit 2**  
**(continued)**

Program Revenue		Net (Expense) Revenue and Changes in Net Position			
Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Prior Year Total
		Governmental Activities	Business-type Activities	Total	
\$ 19,219	\$ -	\$ (6,272,271)	\$ -	\$ (6,272,271)	\$ (7,994,529)
-	-	(4,912,193)	-	(4,912,193)	(4,609,353)
3,433	990,591	(3,476,866)	-	(3,476,866)	(987,460)
362,197	1,024,120	(5,065,386)	-	(5,065,386)	(1,724,784)
-	-	(896,534)	-	(896,534)	(266,353)
384,849	2,014,711	(20,623,249)	-	(20,623,249)	(15,582,479)
-	6,307,253	-	7,745,677	7,745,677	14,176,401
-	-	-	(255,171)	(255,171)	(375,271)
-	-	-	24,653	24,653	(42,437)
-	6,307,253	-	7,515,159	7,515,159	13,758,693
\$ 384,849	\$ 8,321,964	(20,623,249)	7,515,159	(13,108,090)	(1,823,786)
General revenue:					
Taxes:					
Property taxes		4,420,751	-	4,420,751	4,089,516
Sales tax		14,482,942	-	14,482,942	12,592,051
Use tax		4,899,603	-	4,899,603	4,996,965
Franchise tax		1,078,609	-	1,078,609	1,057,233
Other tax		830,159	-	830,159	789,592
Intergovernmental revenue		323,434	-	323,434	242,592
Investment earnings		395,381	217,154	612,535	328,583
Miscellaneous		232,312	37,625	269,937	394,364
Total general revenue		26,663,191	254,779	26,917,970	24,490,896
Transfers		-	-	-	-
Total general revenue, extraordinary items, and transfers		26,663,191	254,779	26,917,970	24,490,896
Change in net position		6,039,942	7,769,938	13,809,880	22,667,110
Net position - beginning		128,432,378	119,111,582	247,543,960	224,876,850
Net position - ending		\$ 134,472,320	\$ 126,881,520	\$ 261,353,840	\$ 247,543,960

The notes to the financial statements are an integral part of this statement.

**City of Louisville  
Governmental Funds  
Balance Sheet  
December 31, 2017**

	Major Special Revenue Funds		Major Capital Project Funds		Other Governmental Funds	Total Governmental Funds
	General	Open Space and Parks	Capital Projects	Recreation Center Construction		
<b>Assets:</b>						
Pooled Cash and Investments	\$ 7,689,685	\$ 2,687,216	\$ 4,332,079	-	\$ 5,432,987	\$ 20,141,967
Cash restricted for capital	-	-	25,965	\$ 26,363,538	534,161	26,923,664
Receivables:						
Property taxes	3,266,172	-	-	-	3,611,374	6,877,546
Sales and use taxes	1,140,976	199,348	497,818	-	66,451	1,904,593
Other revenue	273,707	3,351	306,756	-	11,320	595,134
Interest	12,946	4,488	7,030	68	11,386	35,918
Intergovernmental	120,405	10,101	307,995	-	-	438,501
Inventories	19,864	-	-	-	-	19,864
Prepaid items	168,194	-	-	-	-	168,194
Total assets	<u>\$ 12,691,949</u>	<u>\$ 2,904,504</u>	<u>\$ 5,477,643</u>	<u>\$ 26,363,606</u>	<u>\$ 9,667,679</u>	<u>\$ 57,105,381</u>
<b>Liabilities:</b>						
Accounts payable	\$ 738,331	\$ 223,929	\$ 775,684	\$ 1,151,934	\$ 332,235	\$ 3,222,113
Deposits	561,487	-	-	-	-	561,487
Accrued liabilities	279,695	33,749	8,195	140	294,228	616,007
Total liabilities	<u>1,579,513</u>	<u>257,678</u>	<u>783,879</u>	<u>1,152,074</u>	<u>626,463</u>	<u>4,399,607</u>
<b>Deferred Inflows of Resources:</b>						
Deferred revenue - property taxes	3,266,172	-	-	-	3,611,374	6,877,546
Deferred revenue - other	48,920	-	-	-	-	48,920
Total deferred inflows of resources	<u>3,315,092</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,611,374</u>	<u>6,926,466</u>
<b>Fund Balances:</b>						
Nonspendable:						
Inventories	19,864	-	-	-	-	19,864
Prepays	168,194	-	-	-	-	168,194
Cemetery care	-	-	-	-	554,242	554,242
Restricted for:						
Emergency reserves (TABOR)	1,024,122	-	-	-	-	1,024,122
Open space & parks	-	2,646,826	-	-	-	2,646,826
Conservation sites	-	-	-	-	488,997	488,997
Takoda Metro District improvements	-	-	237,976	-	-	237,976
General capital improvements	-	-	4,455,788	-	-	4,455,788
URD Improvements	-	-	-	-	768,444	768,444
Historic preservation	-	-	-	-	1,759,780	1,759,780
Debt service	-	-	-	-	791,707	791,707
Recreation Center Capital	-	-	-	25,211,532	-	25,211,532
Committed to:						
Public access television capital	-	-	-	-	76,376	76,376
Development impact capital	-	-	-	-	962,599	962,599
Cemetery maintenance and capital	-	-	-	-	27,697	27,697
Assigned	32,718	-	-	-	-	32,718
Unassigned Fund Balance	<u>6,552,446</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,552,446</u>
Total fund balance	<u>7,797,344</u>	<u>2,646,826</u>	<u>4,693,764</u>	<u>25,211,532</u>	<u>5,429,842</u>	<u>45,779,308</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 12,691,949</u>	<u>\$ 2,904,504</u>	<u>\$ 5,477,643</u>	<u>\$ 26,363,606</u>	<u>\$ 9,667,679</u>	<u>\$ 57,105,381</u>

The notes to the financial statements are an integral part of this statement.



**City of Louisville  
Reconciliation of the Balance Sheet  
to the Statement of Net Position  
December 31, 2017**

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Balance sheet - total fund balances	\$ 45,779,308
Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:	
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and therefore are not reported in the funds. The amount is \$123,870,098 less the internal service funds of \$1,563,689	122,306,409
Compensated absences are not recorded in government funds because they are not due and payable at year end.	(1,036,739)
Internal service funds are used by management to charge the costs of certain activities, such as fleet and computer replacement to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	2,311,133
Some liabilities, including bonds payable (\$33,025,000), premium on bonds payable (\$1,776,712), and capital leases payable (\$86,079) are not included in governmental funds. The premium will be amortized over the life of the bonds.	<u>(34,887,791)</u>
Net position of governmental activities	<u><u>\$ 134,472,320</u></u>

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The notes to the financial statements are an integral part of this statement.

**City of Louisville, Colorado**  
**Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ending December 31, 2017**

	Major Special Revenue Funds		Major Capital Project Funds		Other Governmental Funds	Total Governmental Funds
	General	Open Space and Parks	Capital Projects	Recreation Center Construction		
<b>Revenue:</b>						
Taxes:						
Property taxes	\$ 2,800,682	\$ -	\$ -	\$ -	\$ 1,620,069	\$ 4,420,751
Sales tax	8,267,631	1,563,969	4,130,009	-	521,333	14,482,942
Use tax	2,165,757	536,240	2,018,889	-	178,717	4,899,603
Lodging tax	516,863	-	-	-	-	516,863
Franchise tax	1,078,609	-	-	-	-	1,078,609
Other taxes	313,296	-	-	-	-	313,296
Licenses and Permits	1,472,754	-	-	-	684,934	2,157,688
Intergovernmental	1,382,145	4,800	233,234	-	232,170	1,852,349
Charges for services	2,047,856	-	15,300	-	38,790	2,101,946
Fines and forfeits	210,719	-	-	-	-	210,719
Miscellaneous:						
Investment income	59,655	26,019	32,266	205,664	65,514	389,118
Other	116,368	864,429	846,854	-	10	1,827,661
Total revenue	20,432,335	2,995,457	7,276,552	205,664	3,341,537	34,251,545
<b>Expenditures:</b>						
Current:						
General government	4,524,479	-	368,767	399	1,060,507	5,954,152
Planning and building safety	1,299,734	-	-	-	-	1,299,734
Police	4,872,387	-	-	-	-	4,872,387
Public works	2,311,041	-	-	-	-	2,311,041
Library and museum services	1,850,154	-	-	-	-	1,850,154
Parks and recreation	3,006,170	2,196,090	-	-	-	5,202,260
Bond Issuance Costs	-	-	-	192,839	-	192,839
Capital outlay	-	2,338,315	6,418,068	2,886,128	2,842,680	14,485,191
Debt service:						
Principal	5,150	-	-	-	705,000	710,150
Interest	3,845	-	-	-	970,860	974,705
Total expenditures	17,872,960	4,534,405	6,786,835	3,079,366	5,579,047	37,852,613
Excess (deficiency) of revenues over expenditures	2,559,375	(1,538,948)	489,717	(2,873,702)	(2,237,510)	(3,601,068)
<b>Other Financing Sources (Uses):</b>						
Sale of Assets	-	6,500	2,050	-	-	8,550
Developer Contributions	-	-	-	-	-	-
Bond Proceeds	-	-	-	28,499,695	561,546	29,061,241
Refund of Prior Year Impact Fees	-	-	-	-	-	-
Transfers in	-	173,950	825,151	-	71,766	1,070,867
Transfers (out)	(67,800)	-	-	(414,461)	(588,606)	(1,070,867)
Total other financing sources (uses)	(67,800)	180,450	827,201	28,085,234	44,706	29,069,791
<b>Net Change in Fund Balance</b>	2,491,575	(1,358,498)	1,316,918	25,211,532	(2,192,804)	25,468,723
<b>Fund Balance, January 1</b>	5,305,769	4,005,324	3,376,846	-	7,622,646	20,310,585
<b>Fund Balance, December 31</b>	<u>\$ 7,797,344</u>	<u>\$ 2,646,826</u>	<u>\$ 4,693,764</u>	<u>\$ 25,211,532</u>	<u>\$ 5,429,842</u>	<u>\$ 45,779,308</u>

The notes to the financial statements are an integral part of this statement.

**City of Louisville**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended December 31, 2017**

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Net change in fund balances - total governmental funds	\$ 25,468,723
Amounts reported for governmental activities in the Statement of Net Activities (Exhibit 2) are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which net capital outlays (\$13,875,610) exceeded depreciation (\$4,350,730) in the current period.	9,494,528
Net book value of disposed assets in the governmental funds.	(314,847)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	26,182
The issuance of bonds is revenue in the governmental funds, but increases long-term liabilities in the statement of net position. This is the amount of additional bonded debt.	(29,061,241)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of debt repayments.	710,150
Internal service funds are used by management to charge the costs of certain activities, such as fleet, computer replacement, and building maintenance to individual funds. The aggregate net revenue of the internal service funds is reported with governmental activities.	(283,553)
Change in net position of governmental activities	<u>\$ 6,039,942</u>

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The notes to the financial statements are an integral part of this statement.

**City of Louisville, Colorado**  
**Proprietary Funds**  
**Statement of Net Position**  
**December 31, 2017**

	Enterprise Funds				Internal Service Funds
	Consolidated Utility	Golf Course	Solid Waste & Recycling	Total	
<b>Assets:</b>					
Current assets:					
Pooled cash and investments	\$ 27,651,587	\$ 532,002	\$ -	\$ 28,183,589	\$ 844,995
Cash in escrow restricted for capital projects	253,954	-	-	253,954	-
Receivables:					
Interest	50,037	979	-	51,016	1,534
Accounts (net of allowance for doubtful accounts)	593,803	12,833	267,907	874,543	-
Grants	3,700	-	-	3,700	-
Inventories	-	23,414	-	23,414	-
Prepaid expenses	-	538	-	538	-
Total current assets	28,553,081	569,766	267,907	29,390,754	846,529
Noncurrent assets:					
Capital assets:					
Property, plant and equipment:					
Land / land improvements	1,262,961	4,766,164	-	6,029,125	-
Water rights	31,057,454	-	-	31,057,454	-
Construction-in-progress	2,182,122	-	-	2,182,122	-
Buildings	6,444,472	1,070,630	-	7,515,102	374,536
Improvements other than buildings	114,088	4,020,399	-	4,134,487	-
Treatment / pumping plants	55,765,457	-	-	55,765,457	-
Reservoirs / storage facilities	7,670,853	-	-	7,670,853	-
Collection and distribution systems	56,969,616	-	-	56,969,616	-
Machinery and equipment	2,697,356	905,926	-	3,603,282	3,068,724
Office furniture and fixtures	462,059	5,208	-	467,267	140,752
Capital Leases	1,108,100	-	-	1,108,100	-
Less: Accumulated depreciation	(36,143,951)	(2,133,734)	-	(38,277,685)	(2,020,323)
Total capital assets (net of accumulated depreciation)	129,590,587	8,634,593	-	138,225,180	1,563,689
Total noncurrent assets	129,590,587	8,634,593	-	138,225,180	1,563,689
Total assets	\$ 158,143,668	\$ 9,204,359	\$ 267,907	\$ 167,615,934	\$ 2,410,218

The notes to the financial statements are an integral part of this statement.

	Enterprise Funds				Internal Service Funds
	Consolidated Utility	Golf Course	Solid Waste & Recycling	Total	
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable	\$ 2,695,123	\$ 34,476	\$ 145,717	\$ 2,875,316	\$ 99,085
Bank Overdraft	-	-	97,863	97,863	-
Accrued liabilities	351,712	166,164	1,424	519,300	-
Compensated absences payable - current	22,356	5,887	614	28,857	-
Bonds and notes payable - current	1,637,796	-	-	1,637,796	-
Capital lease payable - current	56,320	-	-	56,320	-
Total current liabilities	4,763,307	206,527	245,618	5,215,452	99,085
Long-term liabilities:					
Compensated absences payable	180,877	47,633	4,968	233,478	-
Bonds and notes payable	34,320,566	-	-	34,320,566	-
Capital lease payable	964,918	-	-	964,918	-
Total long-term liabilities	35,466,361	47,633	4,968	35,518,962	-
Total liabilities	40,229,668	254,160	250,586	40,734,414	99,085
<b>Net Position:</b>					
Net investment in capital assets	92,610,987	8,634,593	-	101,245,580	1,563,689
Unrestricted	25,303,013	315,606	17,321	25,635,940	747,444
Total net position	\$ 117,914,000	\$ 8,950,199	\$ 17,321	\$ 126,881,520	\$ 2,311,133

The notes to the financial statements are an integral part of this statement.

**City of Louisville, Colorado**  
**Proprietary Funds**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**For the Year Ended December 31, 2017**

	Enterprise Funds				Internal Service Funds
	Consolidated Utility	Golf Course	Solid Waste & Recycling	Total	
<b>Operating revenue:</b>					
Charges for services:					
Water, wastewater, and storm water sales	\$ 9,957,521	\$ -	\$ -	\$ 9,957,521	\$ -
Golf course sales	-	1,535,442	-	1,535,442	-
Solid waste and recycling sales	-	-	1,610,459	1,610,459	-
Other sales for services	373,585	655	7,161	381,401	70,242
Total operating revenue	10,331,106	1,536,097	1,617,620	13,484,823	70,242
<b>Operating expenses:</b>					
Cost of sales and services	4,725,569	1,271,723	1,433,766	7,431,058	92,747
Administration	848,719	134,526	159,201	1,142,446	-
Depreciation and amortization	2,490,709	385,019	-	2,875,728	267,311
Total operating expenses	8,064,997	1,791,268	1,592,967	11,449,232	360,058
Operating income (loss)	2,266,109	(255,171)	24,653	2,035,591	(289,816)
<b>Nonoperating revenue (expenses)</b>					
Investment income	213,700	3,454	-	217,154	6,263
Interest expense	(308,712)	-	-	(308,712)	-
Amortization of bond premium	37,625	-	-	37,625	-
Loss on asset write-off	(518,973)	-	-	(518,973)	-
Total nonoperating revenue (expenses)	(576,360)	3,454	-	(572,906)	6,263
Income (loss) before, capital contributions, extraordinary items, and transfers	1,689,749	(251,717)	24,653	1,462,685	(283,553)
Capital contributions - tap fees and other	6,307,253	-	-	6,307,253	-
<b>Change in net position</b>	7,997,002	(251,717)	24,653	7,769,938	(283,553)
<b>Net position January 1</b>	109,916,998	9,201,916	(7,332)	119,111,582	2,594,686
<b>Net position December 31</b>	<u>\$ 117,914,000</u>	<u>\$ 8,950,199</u>	<u>\$ 17,321</u>	<u>\$ 126,881,520</u>	<u>\$ 2,311,133</u>

The notes to the financial statements are an integral part of this statement.

City of Louisville, Colorado  
Proprietary Funds  
Statement of Cash Flows  
For the Year Ended December 31, 2017

	Enterprise Funds				Internal Service Funds
	Consolidated Utility	Golf Course	Solid Waste & Recycling	Total	
<b>Cash flows from operating activities:</b>					
Receipts from customers	\$ 12,494,151	\$ 1,537,964	\$ 1,601,319	\$ 15,633,434	\$ 70,242
Payments to suppliers	(3,231,678)	(427,676)	(1,518,949)	(5,178,303)	6,294
Payments to employees	(2,853,227)	(911,839)	(82,370)	(3,847,436)	-
Net cash provided (used) by operating activities	6,409,246	198,449	-	6,607,695	76,536
<b>Cash flows from capital and related financing activities:</b>					
Capital contributions	5,478,254	-	-	5,478,254	-
Capital Grant Proceeds	600,824	-	-	600,824	-
Purchases of capital assets	(11,542,704)	(5,295)	-	(11,547,999)	(188,885)
Principal paid on capital debt	(1,654,027)	-	-	(1,654,027)	-
Interest paid on capital debt	(855,036)	-	-	(855,036)	-
Bond Issuance Costs	-	-	-	-	-
Net cash provided (used) by capital and related financing activities	(7,972,689)	(5,295)	-	(7,977,984)	(188,885)
<b>Cash flows from investing activities:</b>					
Interest earnings	191,961	3,079	-	195,040	6,405
Net increase (decrease) in pooled cash and investments	(1,371,482)	196,233	-	(1,175,249)	(105,944)
<b>Cash and cash equivalents, January 1</b>	29,277,023	335,769	-	29,612,792	950,939
<b>Cash and cash equivalents, December 31</b>	\$ 27,905,541	\$ 532,002	\$ -	\$ 28,437,543	\$ 844,995
<b>Reconciliation of operating income (loss) to net cash</b>					
Operating income (loss)	\$ 2,266,109	\$ (255,171)	\$ 24,653	\$ 2,035,591	\$ (289,816)
Adjustments to reconcile operating income (loss) to net cash					
cash provided by operating activities:					
Depreciation and amortization expense	2,490,709	385,019	-	2,875,728	267,311
Change in assets and liabilities:					
Receivables	2,163,046	(2,434)	(16,301)	2,144,311	-
Inventories	-	4,301	-	4,301	-
Prepaid expenses	-	557	-	557	-
Deferred charges	-	-	-	-	-
Compensated absences	157	5,468	(4,358)	1,267	-
Accounts payable	(505,585)	18,213	5,727	(481,645)	99,041
Accrued liabilities	(5,190)	42,496	(702)	36,604	-
Deferred revenue	-	-	-	-	-
Cash Overdraft	-	-	(9,019)	(9,019)	-
<b>Net cash provided (used) by operating activities</b>	<u>\$ 6,409,246</u>	<u>\$ 198,449</u>	<u>\$ -</u>	<u>\$ 6,607,695</u>	<u>\$ 76,536</u>
<b>Non-cash capital and related financing activities</b>					
Contributed assets	\$ 228,175	\$ -	\$ -	\$ 228,175	\$ -

The notes to the financial statements are an integral part of this statement.



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## **Notes to the Financial Statements**

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**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 1: Summary of significant accounting policies**

The City of Louisville (City) was founded in 1878 and incorporated in 1882. The registered electors voted to become a home rule city on November 6, 2001 under the provisions of Article XX of the Constitution of the State of Colorado. The City is a municipal corporation governed by an elected mayor and six-member council. The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

**A. Reporting entity**

The accompanying financial statements present the City and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the City's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the City, the primary government. A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Governmental Accounting Standards Board (GASB) Statement 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34* provides additional criteria for classifying entities as component units to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude.

The City presently has one blended component unit included within the reporting entity; the Urban Revitalization District, which is presented as a special revenue fund. The City Council is essentially the governing body of the District, but appoints the Louisville Revitalization Commission (LRC) to oversee the general operations of the District. The City provides all administrative, financial, and legal support services to the District. By Cooperation Agreement between the City and the LRC, the City Council must approve the District's budget, expenditures made by the District, the issuance of debt, and the execution of contractual obligations. The City has no discretely presented component units.

**B. Government-wide and fund financial statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 1: Summary of significant accounting policies (continued)**

**B. Government-wide and fund financial statements (continued)**

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

**C. Measurement focus, basis of accounting, and financial statement presentation**

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales and use taxes, franchise taxes, lodging taxes, intergovernmental revenue, and interest earnings associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Most other revenue items are considered to be measurable and available only when the City receives cash.

The City reports the following major governmental funds:

- The *General Fund* is the City's primary operating fund. It is used to account for most of the day-to-day operations of the City, which are financed from sales taxes, property taxes, and other general revenues. Activities financed by the General Fund include those of line and staff departments within the City, except for activities of the enterprise funds.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 1: Summary of significant accounting policies (continued)**

**C. Measurement focus, basis of accounting, and financial statement presentation (continued)**

- The *Open Space & Parks Fund* is a special revenue fund and accounts for a temporary sales and use tax of three-eighths percent (3/8%) to be in effect for ten years, beginning January 1, 1994. The voters extended this tax in 2002 for another ten years beginning January 1, 2004 and extended the tax again in 2012 for another ten years beginning January 1, 2014 and ending on December 31, 2023. Revenues from the three-eighths percent are used exclusively for the acquisition and maintenance of land in and around Louisville for open space buffer zones, trails, wildlife habitats, wetlands preservation, and parks.
- The *Capital Projects Fund* was created in 1985 to account for the service expansion fee and the major thoroughfare fee. These fees were collected through the building permit process and were restricted for construction or renovation of parks and building facilities; improvements to streets, alleys, sidewalks, and trails; and for capital equipment. This fund now accounts for the monies received from a one-percent (1%) sales tax, which became effective July 1, 1989. This one-percent sales tax funds various capital improvements and, in the past, has funded debt service on sales tax revenue bonds.
- The *Recreation Center Construction Fund* was created in 2017 to account for proceeds from the \$27,215,000 Limited Tax General Obligation Bond. These proceeds will be used for the Recreation Center Expansion Project and the Memory Square Improvement Project.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, wastewater, and storm water utilities, the golf course, the solid waste enterprise funds, and the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major proprietary funds:

- The *Consolidated Utility Fund* accounts for the operations and capital needs to provide water, wastewater, and storm water services within the boundaries of the City.
- The *Golf Course Fund* accounts for the operations and capital needs of Coal Creek Golf Course.
- The *Solid Waste & Recycling Fund* accounts for the operations of providing solid waste pickup and single-stream recycling.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 1: Summary of significant accounting policies (continued)**

**C. Measurement focus, basis of accounting, and financial statement presentation (continued)**

Additionally, the City reports the following fund type:

- *Internal Service Funds* account for fleet and technology replacements provided to all departments of the City. The internal activity of the Internal Service Funds has been eliminated from the government-wide financial statements. The services provided and used are not eliminated in the process of consolidation.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources, then unrestricted resources as needed.

**D. Assets, liabilities, and net position/fund balance**

**1. Cash, cash equivalents and investments**

Cash and cash equivalents include cash on hand, amounts in demand deposits, amounts in local government investment pools, and investments with maturity dates within five years from the date acquired. Investments are stated at fair value.

**2. Interfund receivables/payables and advances**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Advances from other funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 1: Summary of significant accounting policies (continued)**

**D. Assets, liabilities, and net position/fund balance (continued)**

**3. Inventories**

Inventories are valued at cost, using the first-in/first-out method. The costs of inventories are recorded as an expense or expenditure when consumed rather than when purchased. The inventory balance, as reported in the fund financial statements, is offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

**4. Prepaid items**

Payments made to vendors for services that will benefit periods beyond year-end are recorded as prepaid items. The prepaid balances, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

**5. Restricted assets**

Restricted assets in the Consolidated Utility Fund are amounts on deposit with the Colorado Water Resources and Power Development Authority and the Urban Drainage & Flood Control District that are restricted for specific capital projects. Restricted assets in the Urban Revitalization District Fund are proceeds in escrow from tax increment financing bonds restricted for specific capital projects. Restricted assets in the Recreation Center Construction Fund are unspent bonds proceeds restricted to the Recreation Center Project.

**6. Capital assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, traffic signals, trails, and similar items) purchased or constructed since 1980, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary fund types in the fund financial statements. Capital assets are defined by the City as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related assets, as applicable.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the



**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 1: Summary of significant accounting policies (continued)**

**D. Assets, liabilities, and net position/fund balance (continued)**

**6. Capital assets (continued)**

project with interest earned on invested proceeds over the same period. In 2017, \$546,325 of interest on the CWRPDA loan was capitalized to the Wastewater Treatment Plant Upgrade Project.

Property, plant, and equipment of the City are depreciated using the straight line method over the following estimated useful lives:

<b>Assets</b>	<b>Years</b>
Buildings	50
Building Improvements	30
Streets & Sidewalks	25 – 30
Water, Wastewater, & Storm Water Systems	25 – 50
Vehicles	3 – 7
Machinery & Equipment	5 – 10
Computer Equipment	3 – 10

**7. Compensated absences**

Upon termination, employees are paid for all unused time in their paid leave bank and compensatory time bank. Accumulated paid leave and compensatory time for employees paid out of governmental funds are recorded as a fund liability when due. All unused time is recorded as a liability in the governmental activities column in the Statement of Net Position. As the paid leave and compensatory time benefits accrue to employees of proprietary funds, an expense and liability is recorded in those funds.

**8. Long-term obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

In the fund financial statements, governmental fund types recognize bond discounts and issuance costs in the current period. Bond premiums/discounts for proprietary fund types are capitalized and amortized on a straight-line basis over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums/discounts are presented as an increase in or reduction from the face amount of bonds payable. Bond issuance costs are expensed as incurred.

**9. Deferred Outflows/Inflows of Resources**

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has only one item that

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 1: Summary of significant accounting policies (continued)**

**D. Assets, liabilities, and net position/fund balance (continued)**

**9. Deferred Outflows/Inflows of Resources (continued)**

qualifies for reporting in this category – the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred over the shorter of the life of the refunded or refunding debt.

Deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category – deferred revenues from two sources: property taxes and miscellaneous other, which includes small amounts of revenue received in 2017 for recognition in 2018, such as sales taxes and animal licenses. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**10. Fund Balances**

The City reflects fund balances in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires that all fund balance amounts be properly reported within one of the following fund balance categories:

1. *Nonspendable*, such as fund balance associated with inventories, prepaid expenditures, and long-term loans and notes receivable.
2. *Restricted* fund balance category includes amounts that can be spent only for specific purposes as stipulated by external resource providers or by law through constitution provisions or enabling legislation.
3. *Committed* fund balance classification includes amounts that can be used only for the specific purposes as determined by City Council ordinance. An ordinance is required to establish, rescind, or modify a fund balance commitment.
4. *Assigned* fund balance classifications are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. As of December 31, 2017, the City Council has not authorized any official to assign fund balance other than through the execution of purchase orders.
5. *Unassigned* fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. The General Fund is the only fund that can report a positive unassigned fund balance. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 1: Summary of significant accounting policies (continued)**

**D. Assets, liabilities, and net position/fund balance (continued)**

**10. Fund Balances (continued)**

to report a negative unassigned fund balance in those funds.

The City does not have an accounting policy regarding which resources (restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available and by default has determined restricted amounts to be reduced first, followed by committed amounts, then assigned amounts, and then unassigned amounts.

Per Resolution No. 92, Series 2015, the City established a reserve policy in which the General Fund, Open Space and Parks Fund, and the Cemetery Fund will each maintain a minimum fund balance of 15% of current operating expenditures. The reserve policy states that the Combined Utility Fund will maintain a minimum working capital balance of 25% of current operating expenses.

In compliance with GASB 54, the City has reported fund balance at December 31, 2017 in the following manner:

*Nonspendable:* The City maintains an inventory of fuel for various vehicles and equipment (\$19,864). The City has prepaid various amounts in 2017 that will be recorded as expenditures in 2018 (\$168,194). The total equity within the Cemetery Perpetual Care Fund, a Permanent Fund, is non-spendable (\$554,242).

*Restricted:* The Taxpayer's Bill of Rights (TABOR) requires a certain level of reserves within the City's General Fund. The City has calculated a required reserve of \$1,024,122 at December 31, 2017. The total equity within the Open Space & Parks Fund (\$2,646,826), which contains proceeds from a 3/8% sales and use tax, is restricted by voter approval to acquisition and maintenance of open space and parks. The total equity in the Conservation Trust – Lottery Fund (\$488,997), which contains State lottery proceeds, is restricted by State law to acquisition and development of conservation sites. The Capital Projects Fund contains a contribution from the Takoda Metropolitan District (\$237,976) that is restricted by intergovernmental agreement for specific capital improvements. The remaining equity within the Capital Projects Fund (\$4,455,788), which includes proceeds from a 1% sales & use tax, is restricted by voter approval for general capital improvements. The total equity within the Urban Revitalization District Fund (\$768,444) is restricted to improvements within the district or services related to district operations. The total equity in the Historic Preservation Fund (\$1,759,780), which contains proceeds from a 1/8% sales and use tax, is restricted by voter approval for historic preservation purposes. The total equity in the Debt Service Funds (\$791,707) is restricted by voter approval for debt service on the City's 2004 General Obligation Library Bonds and the 2017 General

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 1: Summary of significant accounting policies (continued)**

**D. Assets, liabilities, and net position/fund balance (continued)**

**10. Fund Balances (continued)**

Obligation Recreation Center Bonds. The total equity in the Recreation Center Construction Fund (\$25,211,532), which contains bond proceeds from the 2017 General Obligation Recreation Center Bonds, is restricted by voter approval to the Recreation Center Expansion project.

*Committed:* The total equity within the PEG Fees Fund (\$76,376), which contains proceeds from a 50-cent per account, per month cable television fee, is committed by Council action to capital outlay for public access television. The total equity within the Impact Fee Fund (\$962,599), which contains proceeds from developer impact fees, is committed by Council action for specific growth-related capital projects. The total equity within the Cemetery Fund (\$27,697) is committed by Council action to cemetery maintenance and improvements.

*Assigned:* The total amount of encumbrances (outstanding purchase orders) within the General Fund at December 31, 2017 was \$32,718.

**11. Contraband forfeitures**

In accordance with the Colorado Contraband Forfeiture Act (CRS-16-13-501 to 511) forfeitures from the seizure of contraband are used for the specific purpose of law enforcement activities. These funds are included in the City's General Fund.

**12. Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates that could affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**13. Comparative Data**

Certain comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, complete comparative data in accordance with generally accepted accounting principles has not been presented since its inclusion would make the financial statements unduly complex and difficult to read.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 2: Stewardship, compliance, and accountability**

**A. Budgetary information**

Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for the proprietary funds are adopted on a basis consistent with GAAP, except that the budgeted expenditures also include capital outlay and bond principal payments and exclude depreciation. Council legally adopts all governmental and proprietary fund budgets. The level on which expenditures may not exceed appropriations is the legally adopted annual operating budget for each fund. All annual appropriations lapse at year end. The City Council may amend the budget by resolution. The City requires all governmental and all proprietary funds adopt an annual budget.

On or before the first day of September, each department director submits to the City Manager the department's proposed budget for the next fiscal year. On or before the third Tuesday in October, the City Manager submits to the Council the proposed budget for the next fiscal year. Within fourteen days after receiving the proposed budget from the City Manager, City Council sets the date and time for at least one public hearing on the proposed budget. On or before December 15, the City Council adopts the budget by resolution.

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting – under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in all funds. Encumbrances outstanding at year-end are continued into the subsequent year. Encumbrances at year-end do not constitute expenditures or liabilities because the commitments will be re-appropriated during the subsequent year.

**B. Excess of expenditures over appropriations**

For the year ended December 31, 2017, total expenditures (including interfund transfers out) exceeded appropriations in the Cemetery Perpetual Care Fund by \$1,993. This may be a violation of Colorado State Statutes.

**Note 3: Deposits and investments**

**A. Cash and deposits**

As of December 31, 2017 the summary of the carrying values of deposits and investments is as follows:

Petty Cash	\$ 3,550
Deposits	3,757,613
Investments (at fair value)	72,587,006
	<u>\$ 76,348,169</u>

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 3: Deposits and investments (continued)**

**A. Cash and deposits (continued)**

Deposits include \$814,080 of restricted cash, which includes \$20,000 of unspent loan proceeds from the Colorado Water Resources and Power Development Authority, \$259,919 on deposit with the Urban Drainage & Flood Control District, and \$534,161 of unspent bond proceeds of the Urban Revitalization District.

The Colorado Public Deposit Protection Act ("PDPA") requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by State regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The City has \$500,000 of FDIC-insured deposits and \$3,486,759 of collateralized deposits under PDPA as of December 31, 2017.

**B. Investments**

The types of investments which are authorized to be made with City funds are controlled by State statutes and the investment policies of the City. Colorado statutes and the City's investment policies specify investments instruments meeting defined risk criteria ratings in which the City may invest:

- a. Any security issued by, fully guaranteed by, or for which the full credit of the United States Treasury is pledged for payment.
- b. Any security issued by, fully guaranteed by, or for which the full credit of the following is pledged for payment: The Federal Farm Credit Bank, a Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, and the Federal National Mortgage Association.
- c. Any security that is a general obligation of any state of the United States.
- d. Any interest in a local government investment pool.
- e. Any corporate bank security issued by a corporation or bank that is organized and operated within the United States.
- f. Any money market fund that is registered as an investment company under the federal "Investment Company Act of 1940".
- g. The purchase of any repurchase agreement of marketable securities.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 3: Deposits and investments (continued)**

**B. Investments (continued)**

At December 31, 2017, the City's investments are categorized as follows:

Account Description	Ratings	Maturity		Total
		< 1 Year	1-5 Years	
LGIP - CSAFE	AAAm S&P	\$ 4,462,742	\$ -	\$ 4,462,742
LGIP - COLOTRUST	AAAm S&P	31,624,834	-	31,624,834
U.S. Gov't Securities	AA+/stable S&P	19,742,604	9,040,995	28,783,598
Commercial Paper	A1+ S&P	5,980,035	1,735,798	7,715,833
<b>Total Investments</b>		<b>\$ 61,810,214</b>	<b>\$ 10,776,792</b>	<b>\$ 72,587,006</b>

*Local Government Investment Pools (LGIP's)* – At December 31, 2017, the City had \$4,462,742 and \$31,624,834 invested in the Colorado Surplus Asset Fund Trust (CSAFE) and the Colorado Local Government Liquid Asset Trust (COLOTRUST), local government investment pools, respectively. The pools operate under the Colorado Revised Statutes (24-75-701) and are overseen by the Colorado Securities Commissioner. The pools invest in securities that are specified by the Colorado Revised Statutes (24-75-601). ColoTrust has a daily redemption frequency period and a one-day redemption notice period. CSAFE is valued at amortized cost and ColoTrust is valued at NAV. Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper rated A1 or better, and bank deposits (collateralized through PDPA). The pools operate similar to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. The pools are rated AAAm by the Standards & Poor's Corporation. A custodial bank provides banking services and trust custody for securities held on behalf of the participating governments in the pools. The custodian's internal records identify the investments owned by the participating governments.

*Interest Rate Risk* – In accordance with the City's Investment Policy and State statutes, the City manages its exposure to declines in fair value losses arising from increased interest rates by limiting the maturity date of investment securities to five years from the date of purchase.

*Credit Risk* – The City's Investment Policy and Colorado statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by a NRSRO. State statutes limit investments in U.S. Agency securities to the highest rating issued by at least two NRSROs.

*Concentration of Credit Risk* – The City's Investment Policy and State statutes do not limit the amount the City may invest in one issuer. At December 31, 2017, (excluding LGIP's) the City's investments in US Treasury securities represented 35% of total investments, Commercial Paper represented 21% of total investments, Federal Home Loan Bank securities represented 18% of total investments, Fannie Mae securities represented 9% of total investments, Freddie Mac securities represented 9% of total investments, and Federal Farm Credit Bank securities

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 3: Deposits and investments (continued)**

**B. Investments (continued)**

represented 8% of total investments.

The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of assets. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

<u>Investments</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. Gov't Securities	\$ 28,783,598	\$28,783,598	\$ -	\$ -
Commercial Paper	7,715,833	-	7,715,833	-
Total USGS & CP	\$ 36,499,431	\$28,783,598	\$ 7,715,833	\$ -
LGIP - CSAFE (at cost)	4,462,742			
LGIP - COLOTRUST (at NAV)	31,624,834			
Total	<u>\$ 72,587,006</u>			

**Note 4: Receivables**

**A. Property taxes**

Property taxes are attached as an enforceable lien on property as of January 1. Taxes are certified by December 31, levied on January 1, and paid in either one installment on April 30, or two installments on February 28 and June 15. Boulder County bills and collects the City's property taxes. Property taxes are recognized as receivables and deferred revenues when a lien is placed on the property, and as revenue when due for collection in the following year.

**B. Allowance for doubtful accounts**

Due to the City's ability to successfully collect on accounts, there was no allowance for doubtful accounts in the Consolidated Utility Fund, the Solid Waste & Recycling Fund, and the Golf Course Fund at December 31, 2017.

**Note 5: Inter-fund receivables/payables, advances, and transfers**

The advances to/from funds represent inter-fund loans. Section 13-3(b) of the City of Louisville Charter states that any loan of money derived from a City-owned utility to any other City-owned utility, or to any other City fund, shall be approved by ordinance, the motion approving the loan shall specify the term of the loan and the interest rate, and the interest rate shall be adjusted annually to a rate equal to the



**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 5: Inter-fund receivables/payables, advances, and transfers (continued)**

average return of City investments for the preceding twelve (12) months. There are no outstanding inter-fund loans as of December 31, 2017.

The permanent movement of resources from one fund to another represent inter-fund transfers. The inter-fund transfers occurring in 2017 are as follows:

Transfers Out	Transfers In			Total
	Open Space & Parks Fund	Cemetery Fund	Capital Projects Fund	
General Fund	\$ -	\$ 67,800 <sup>b</sup>	\$ -	\$ 67,800
Cemetery Perpetual Care Fund	-	3,966 <sup>c</sup>	-	3,966
Impact Fee Fund	173,950 <sup>a</sup>	-	410,690 <sup>d</sup>	584,640
Recreation Center Construction Fund	-	-	414,461 <sup>e</sup>	414,461
<b>Total</b>	<b>\$ 173,950</b>	<b>\$ 71,766</b>	<b>\$ 825,151</b>	<b>\$ 1,070,867</b>

<sup>a</sup> Transfer of impact fee revenue to fund costs eligible for impact fee revenue funding.

<sup>b</sup> Annual subsidy transfer to maintain reserves at 20% of annual operating expenditures.

<sup>c</sup> Transfer of interest earned in the Cemetery Perpetual Care Fund to fund general Cemetery maintenance.

<sup>d</sup> Transfer of impact fee revenue to fund costs eligible for impact fee revenue funding.

<sup>e</sup> One-time transfer to reimburse Capital Projects Fund for Recreation Center costs incurred prior to bond issue.

The General Fund and the Cemetery Perpetual Care Fund make annual transfers to the Cemetery Fund to help cover the cost of Cemetery operations. The annual transfer from the Cemetery Perpetual Care Fund is equal to the interest earned in the Cemetery Perpetual Care Fund.

The Impact Fee Fund makes an annual transfer to the Open Space & Parks Fund and the Capital Projects Fund to expend impact fee revenue for transportation, facility, and recreation projects that are deemed eligible for impact fee funding.

The Recreation Center Construction Fund also made one-time transfers to the Capital Projects Fund as a reimbursement of costs incurred for the Recreation Center Project prior to the bond issue.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 6: Capital assets**

**A. Governmental Activities**

A summary of changes in capital assets for the year ended December 31, 2017 is as follows:

	Balance at 01/01/17	Reclasses	Additions	Deletions	Balance at 12/31/2017
<b>Capital assets not being depreciated:</b>					
Land and Easements	\$ 31,952,591	\$ -	\$ 2,065,250	\$ -	\$ 34,017,841
Construction in progress	5,192,972	(4,509,091)	8,032,785	(314,847)	8,401,819
<b>Total capital assets, not being depreciated</b>	<b>37,145,563</b>	<b>(4,509,091)</b>	<b>10,098,035</b>	<b>(314,847)</b>	<b>42,419,660</b>
<b>Other capital assets:</b>					
Buildings	30,697,358	-	72,783	-	30,770,141
Infrastructure improvements	105,510,666	3,894,313	3,420,137	-	112,825,116
Machinery and equipment	7,677,054	614,778	473,540	(91,418)	8,673,954
Capital leases - solar	96,900	-	-	-	96,900
<b>Total other capital assets at historical cost</b>	<b>143,981,978</b>	<b>4,509,091</b>	<b>3,966,460</b>	<b>(91,418)</b>	<b>152,366,111</b>
<b>Less accumulated depreciation for:</b>					
Buildings	(10,638,217)	-	(836,154)	-	(11,474,371)
Infrastructure improvements	(51,578,533)	-	(3,117,211)	-	(54,695,744)
Machinery and equipment	(4,135,893)	-	(690,182)	91,418	(4,734,657)
Capital leases - solar	(6,056)	-	(4,845)	-	(10,901)
<b>Total accumulated depreciation</b>	<b>(66,358,699)</b>	<b>-</b>	<b>(4,648,392)</b>	<b>91,418</b>	<b>(70,915,673)</b>
<b>Other capital assets, net</b>	<b>77,623,279</b>	<b>4,509,091</b>	<b>(681,932)</b>	<b>-</b>	<b>81,450,438</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 114,768,842</b>	<b>\$ -</b>	<b>\$ 9,416,103</b>	<b>\$ (314,847)</b>	<b>\$ 123,870,098</b>
<b>Depreciation expense was charged to functions as follows:</b>					
General government			\$ 161,425		
Public Safety			102,159		
Public works			2,735,827		
Culture & Recreation			1,351,319		
In addition, depreciation on capital assets held by the City's internal service funds (see Exhibit 5) is charged to the various functions based on asset use.			267,310		
Interfund capital contribution			30,352		
<b>Total governmental activities depreciation expense</b>			<b>\$ 4,648,392</b>		

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 6: Capital assets (continued)**

**B. Business-type activities**

A summary of changes in capital assets for the year ended December 31, 2017 is as follows:

	Balance at 01/01/17	Reclasses	Additions	Deletions	Balance at 12/31/2017
<b>Capital assets not being depreciated:</b>					
Land	\$ 6,029,124	\$ -	\$ -	\$ -	\$ 6,029,124
Water rights	31,340,150	-	-	(282,696)	31,057,454
Construction in progress	27,997,631	(34,575,960)	8,859,452	(99,000)	2,182,123
Total capital assets not being depreciated	65,366,905	(34,575,960)	8,859,452	(381,696)	39,268,701
<b>Other capital assets:</b>					
Buildings	7,515,101	-	-	-	7,515,101
Infrastructure improvements	86,974,754	34,403,422	3,327,418	(165,181)	124,540,413
Machinery and equipment	4,349,347	172,538	135,627	(586,963)	4,070,549
Capital leases - solar	1,108,100	-	-	-	1,108,100
Total other capital assets at historical cost	99,947,302	34,575,960	3,463,045	(752,144)	137,234,163
<b>Less accumulated depreciation for:</b>					
Buildings	(789,509)	-	(176,622)	-	(966,131)
Infrastructure improvements	(32,836,485)	-	(2,318,899)	90,693	(35,064,691)
Machinery and equipment	(2,260,126)	-	(321,999)	425,174	(2,156,951)
Capital leases - solar	(34,506)	-	(55,405)	-	(89,911)
Total accumulated depreciation	(35,920,626)	-	(2,872,925)	515,867	(38,277,684)
Other capital assets, net	64,026,676	34,575,960	590,120	(236,277)	98,956,479
Business-type activities capital assets, net	<u>\$ 129,393,581</u>	<u>\$ -</u>	<u>\$ 9,449,572</u>	<u>\$ (617,973)</u>	<u>\$ 138,225,180</u>
<b>Depreciation expense was charged to enterprises as follows:</b>					
<b>Business-type activities:</b>					
Consolidated Utility			\$ 2,487,906		
Golf Course			385,019		
Total Business-type activities depreciation expense			<u>\$ 2,872,925</u>		

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 7: Long-term debt**

**A. Changes in long-term liabilities**

A summary of changes in long-term liabilities for the year ended December 31, 2017 is as follows:

*Governmental activities*

	Balance at 1/1/2017	Additions	Reductions	Balance at 12/31/2017	Due within One Year
<b>Bonds payable:</b>					
Library General Obligation Bonds:					
2004 General Obligation Library Bonds	\$ 2,015,000	\$ -	\$ (705,000)	\$ 1,310,000	\$ 425,000
Bond Premium	8,642	-	(4,321)	4,321	-
Total Library General Obligation Bonds	2,023,642	-	(709,321)	1,314,321	425,000
Recreation Center General Obligation Bonds:					
2017 General Obligation Recreation Center Bonds	-	27,215,000	-	27,215,000	665,000
Bond Premium	-	1,846,241	(73,850)	1,772,391	-
Total Recreation Center General Obligation Bonds	-	29,061,241	(73,850)	28,987,391	665,000
2014 URA Tax Increment Financing Bonds	4,500,000	-	-	4,500,000	-
Total bonds payable	6,523,642	29,061,241	(783,171)	34,801,712	1,090,000
Capital leases - solar	91,229	-	(5,150)	86,079	5,142
Total bonds, loans, and leases payable	6,614,871	29,061,241	(788,321)	34,887,791	1,095,142
<b>Other liabilities:</b>					
Compensated absences	984,750	1,225,568	(1,173,579)	1,036,739	114,041
Governmental activities non-current liabilities	\$ 7,599,621	\$ 30,286,809	\$ (1,961,900)	\$ 35,924,530	\$ 1,209,183

*Business-type activities*

	Balance at 1/1/2017	Additions	Reductions	Balance at 12/31/2017	Due within One Year
<b>Bonds and loans payable:</b>					
2013 Water & Wastewater Refunding Bonds	\$ 6,330,000	\$ -	\$ (725,000)	\$ 5,605,000	\$ 745,000
2015 CWRPDA Loan	30,588,053	-	(874,316)	29,713,737	892,796
Bond Premium	677,251	-	(37,625)	639,626	-
Total bonds and loans payable	37,595,304	-	(1,636,941)	35,958,363	1,637,796
Capital leases - solar	1,075,950	-	(54,711)	1,021,239	56,320
Total bonds, loans, and leases payable	38,671,254	-	(1,691,652)	36,979,602	1,694,116
<b>Other liabilities:</b>					
Compensated absences	261,068	309,979	(308,713)	262,334	28,857
Business-type activities non-current liabilities	\$ 38,932,322	\$ 309,979	\$ (2,000,365)	\$ 37,241,936	\$ 1,722,973

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 7: Long-term debt (continued)**

**A. Changes in long-term liabilities (continued)**

Compensated absences in both governmental and business-type activities are classified as long-term liabilities. The City estimates that the current portion of compensated absences is \$114,041 in the governmental funds and \$28,857 in the business type activity funds for a total of \$142,898. Compensated absences of the governmental activities are expected to be paid from the General Fund, Open Space & Parks Fund, Cemetery Fund, Historic Preservation Fund, and the Capital Projects Fund.

**B. Bonds payable – government activities**

The 2.0% - 4.25% Series 2004 Limited Tax General Obligation Library Bonds mature annually beginning on December 1, 2004 through December 2022. Remaining debt service at December 31, 2017 was \$1,361,115 and is expected to be completely repaid in 2018 due to early redemptions.

In 2014, the Urban Revitalization District (Louisville Revitalization Commission) received authorization to issue \$4.5 million of tax increment financing bonds for the DELO Project. The District issued \$750,000 of 7% tax increment financing bonds in 2014 and the remaining authorization of \$3,750,000 was issued in 2016. Payment on the bonds will not commence until the property tax increment generated by the DELO Project is sufficient to support payment. Full payment on the bonds is projected to occur prior to 2031. The District is a blended component unit of the City. The debt does not constitute a direct obligation of the City.

On November 15, 2016, City of Louisville voters approved the issuance of up to \$28.6 million of general obligation bonds for the purpose of funding improvements to the Recreation/Senior Center and the Memory Square Pool facilities. Voters approved a mill levy of up to 3.35 mills to pay debt service on the bonds and approved a new sales tax of 0.15% to pay for operating and maintenance costs. In compliance with this voter authorization, on May 23, 2017, the City of Louisville issued \$27,215,000 of Limited Tax General Obligation Bonds, Series 2017. The bond coupons range from 2.0%-4.0%, which resulted in an issuance premium of \$1,846,241. The bonds mature annually beginning on December 1, 2018 through December 2042. Remaining debt service at December 31, 2017 was \$43,533,300.

**C. Bonds payable - enterprise funds**

On September 13, 2013, the 2003 Series Colorado Water Resources and Power Development Authority loan was refinanced and completely paid on December 1, 2013 with the issuance of \$8,355,000 of 2013 Water & Wastewater Enterprise Revenue Refunding Bonds. The interest rate on the refunding bonds is 2.47%. Net available revenue of \$10,448,772 was available to pay 2017 debt service on the bonds of \$881,351. The remaining debt service on the refunding bonds at December 31, 2017 was \$6,175,112.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 7: Long-term debt (continued)**

**C. Bonds payable - enterprise funds (continued)**

On May 28, 2015, the City executed a loan agreement with the Colorado Water Resources and Power Development Authority (CWRPDA). Under this agreement, the CWRPDA loaned the City \$31,641,348 at a subsidized yield of 2.18%. Proceeds from the loan were used to finance the Wastewater Treatment Plant Upgrade project and the City-Wide Storm Sewer Outfall Improvements project. Repayment of the loan will be made over 20 years with final payment in 2035. The source of payments will come from the water, wastewater, and storm sewer utility revenue. Net available revenue of \$9,567,421 was available to pay 2017 debt service on the bonds of \$1,540,372. The remaining debt service on the refunding bonds at December 31, 2017 was \$37,475,589.

**D. Capital leases payable**

In July 2015 and in August 2016, the City entered into lease purchase financing agreements with Alpine Bank to purchase portions of a community solar panel array from Clean Energy Collective (CEC). The interest rates on the leases range from 3.5% to 4.75%. Total solar panels acquired under the lease amount to \$1,205,000. Accumulated depreciation on the assets through December 31, 2017 equals \$100,812. Under the agreements, the City receives electric utility billing credits and Renewable Energy Certificate (REC) payments during the length of the lease. The credits and REC payments are expected to exceed the amount of the lease payments by approximately \$1.5 million over 20 years.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 7: Long-term debt (continued)**

**E. Debt requirements to maturity**

The annual debt service requirements for all bonds, notes, and capital leases outstanding as of December 31, 2017, are as follows:

Year	Governmental Activities			Business-Type Activities		
	General Obligation Bonds			Bonds & Notes		
	Principle	Interest	Total	Principle	Interest	Total
2018	\$ 1,090,000	\$ 1,126,415	\$ 2,216,415	\$ 1,637,796	\$ 785,700	\$ 2,423,496
2019	1,115,000	1,096,965	2,211,965	1,681,451	743,548	2,424,999
2020	1,155,000	1,052,800	2,207,800	1,712,513	722,176	2,434,689
2021	735,000	1,006,600	1,741,600	1,749,968	671,787	2,421,755
2022	765,000	977,200	1,742,200	1,797,056	627,900	2,424,956
2023-2027	4,305,000	4,402,200	8,707,200	9,616,904	2,504,612	12,121,516
2028-2032	5,235,000	3,469,800	8,704,800	10,289,030	1,829,763	12,118,793
2033-2037	6,370,000	2,335,400	8,705,400	6,834,019	443,483	7,277,502
2038-2042	7,755,000	955,000	8,710,000	-	-	-
Balance	\$ 28,525,000	\$ 16,422,380	\$ 44,947,380	\$ 35,318,737	\$ 8,328,969	\$ 43,647,706

Year	Governmental Activities			Business-Type Activities		
	Capital Lease			Capital Leases		
	Principle	Interest	Total	Principle	Interest	Total
2018	\$ 5,142	\$ 3,794	\$ 8,936	\$ 56,320	\$ 46,926	\$ 103,246
2019	5,681	2,794	8,475	60,310	40,971	101,282
2020	5,886	2,589	8,475	63,540	36,923	100,462
2021	6,098	2,377	8,475	67,865	12,140	80,005
2022	6,318	2,157	8,475	70,422	27,582	98,005
2023-2027	35,178	7,199	42,376	393,984	96,040	490,024
2028-2032	21,776	1,132	22,908	308,798	20,916	329,714
Balance	\$ 86,079	\$ 22,042	\$ 108,122	\$ 1,021,239	\$ 281,499	\$ 1,302,737

**Note 8: Retirement commitments – employee pension plan**

The City provides a qualified defined contribution pension plan, administered by the ICMA Retirement Trust, for all regular full-time and regular part-time employees. During the 2017 fiscal year, there were 211 plan members. This plan is provided through the ICMA Retirement Corporation Prototype 401(a) Money Purchase Plan and Trust. This plan does not meet the standards of generally accepted accounting principles for inclusion as part of the reporting entity.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are required to participate from date of employment. For 2017, the City required the employee to contribute 5.0% of earnings with the City matching 5.5% for the plan year. Plan provisions and contribution requirements have been adopted by the City Council. Changes to the plan can be made by the City Manager.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 8: Retirement commitments – employee pension plan (continued)**

Earnings include base pay, overtime, and any applicable bonuses. The City's matching contributions and earnings are vested as follows:

<u>Years of Service Completed</u>	<u>Specified Percent Vested</u>
Less than One	0%
One	50%
Two	100%

All administrative costs of the plan are borne by the participants of the plan. City contributions for, and interest forfeited by, employees who leave employment before partially or fully vested may be used to reduce future City contributions. The 2017 gross contributions were \$622,272 from employees and \$684,498 from the City for a total of \$1,306,770. Total forfeitures during 2017 were \$26,099. Wages paid by the City in 2017 totaled \$14,129,135, with regular full-time and regular part-time benefited employees receiving \$12,445,440.

In addition, employees may participate in an Internal Revenue Code 457 Plan on a voluntary basis. The City only makes contributions to the City Manager's 457 Plan, an amount equal to 10% of base salary.

**Note 9: Risk management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City carries commercial insurance for the risks of loss, including worker's compensation and property/casualty loss insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Limits of insurance coverage remain unchanged in the past three years.

**Note 10: Commitments**

**A. Redevelopment Agreement**

In December 2006, the City established the Louisville Revitalization Commission and approved an urban renewal plan for certain blighted areas within the City. In 2008, the Urban Revitalization District began collecting tax increment revenues to finance improvements in the blighted areas. The agreement expires in December 2032.

**B. Construction and other significant commitments**

The City has committed to various future transactions, such as long-term contractual obligations with suppliers for future purchases as specified prices and quantities. The City's use of purchase orders encumbrances meet the definition of commitments. Significant outstanding encumbrances at December 31, 2017 recorded in the City's governmental funds are summarized below.



**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 10: Commitments (continued)**

**B. Construction and other significant commitments (continued)**

<u>Encumbered Fund</u>	<u>Encumbrance Description</u>	<u>Encumbrance Amount</u>
Open Space & Parks	Hwy 42 Underpass Design	\$ 207,319
Capital Projects	Hwy 42/Short Intersection D&C	250,695
Recreation Center Constructn	Recreation Center D&C	7,952,800

**Note 11: Business Assistance Agreements**

The City has adopted a Business Assistance Program (BAP) to ensure it remains competitive in attracting quality business and development by leveraging the impact of a business opportunity to assist prospects in locating or expanding in the City. The program's criteria applies to primary job recruitment and retention, as well as retail recruitment and retention.

Assistance is generally provided in the form of building permit fee rebates, construction use tax rebates, and sales/use tax rebates. All rebates are based upon new dollars generated by the project in the early years of operation. The rebates must be earned by completing the project. Sales/use tax assistance is calculated on the City's total 3.5% sales/use tax rate, less the .0375% Open Space Tax and less the 0.125% Historic Preservation Tax. Based upon the new dollars generated by the project, the City rebates a percentage of those dollars back to the owner or developer (but not both). Assistance is available only upon formal City Council approval and there must be an assistance agreement in place prior to a location decision being made.

Since the program's inception in 2007 and through December 31, 2017, the City has executed 68 BAP agreements. The agreements range from a few thousand dollars over a year to over a million dollars over multiple years. Rebate recipients have included restaurants, retail developers, manufacturing, and high tech businesses. The total amount of rebates actually paid out during 2017 are shown in the following table.

<u>Rebate Category</u>	<u>Rebate Amounts 2017</u>
Sales Tax	\$ 121,695
Consumer Use Tax	97,370
Construction Use Tax	8,079
Building Permits	9,949
<b>Total</b>	<b><u><u>\$237,093</u></u></b>

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 12: Contingent liabilities**

**Litigation**

Various suits and claims are pending against the City as of December 31, 2017. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that the final outcome of these matters will not materially affect the financial statements of the City and that adequate insurance coverage exists in most cases to cover any potential settlement.

**Note 13: Tax, spending, and debt limitations**

At the November 3, 1992 general election, Colorado voters approved an amendment to the Colorado Constitution commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR became effective December 31, 1992, and its provisions limit government taxes, spending revenues, and debt without electoral approval. Since this time several ballot issues have been presented to the Louisville citizens that impact the limitation.

**1993** – Open space tax approved.

**1994** – Open space bond issue and the use tax on residential building materials were approved.

**1996** – Authorization was given for the City to receive and expend all sales and use tax revenues, exempting these revenues from the TABOR limitation.

**1997** – A revenue-sharing intergovernmental agreement was approved, exempting these revenues from the TABOR limitations.

**1998** – The City Council, by ordinance, declared the Golf Course Fund an enterprise under the TABOR definition.

**1999** – Authorization to keep and spend the revenues collected and received during 1998 and each subsequent year from fees, state and local grants, developer contributions, intergovernmental revenues and payments in lieu of land dedications.

**2001** – Approval allowing the City to keep the excess property taxes collected in 2000 and exempts all future property taxes from the TABOR limitations.

**2002** – Approval of a new Lodging Excise Tax in the amount of 3% and exempting these revenues from the TABOR limitations.

**2002** – Extension of the open space tax for another ten years beginning on January 1, 2004 and ending on December 31, 2013 and exempting these revenues from the TABOR limitations.

**2003** – Approval of the Library bond issue and the additional mill levy not to exceed 1.581 were approved.

**2005** – A use tax on personal tangible property was placed on the ballot in 2005 and failed.

**2006** – A use tax on personal tangible property was placed on the ballot in 2006 and failed.

**2006** – The City Council, by ordinance, declared the Storm Water Utility Fund an enterprise under the TABOR definition.

**2008** – Approval of a 1/8% sales tax for historic preservation purposes for a period of ten years beginning January 1, 2009.

**2009** – The City Council, by ordinance, declared the Solid Waste & Recycling Utility Fund an enterprise under the TABOR definition.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2017**

**Note 13: Tax, spending, and debt limitations (continued)**

**2010** – Approval of a 3½% consumer use tax, of which 2% is unrestricted, 1% restricted for capital projects, 3/8% restricted for open space acquisition and maintenance, and 1/8% restricted for historic preservation purposes.

**2012** – Extension of the open space tax for another ten years beginning January 1, 2014 and ending December 31, 2023 and exempting these revenues from TABOR limitations.

**2016** – Approval of the Recreation Center/Memory Square Pool Improvement bond issue and the additional mill levy not to exceed 3.350 were approved. An additional 0.15% sales tax was also approved, effective January 1, 2018, for operating and maintaining the Recreation Center and Memory Square Pool.

Under the TABOR Amendment, all taxes (except as previously noted), licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenue (except developer contributions and payments in lieu of land dedications) are part of the limitation calculation. Transfers into the fund and debt service (except the open space bond) are deducted. The remainder may increase by the combination of the local growth rate and the rate of inflation in the Denver/Boulder Area.

TABOR Amendment provisions require that annual property tax revenue changes be restricted to the same growth rate applicable to the City's general spending. In 2001 the voters approved exemption from this provision.

The TABOR Amendment also requires the local government to reserve three percent of total expenditures for emergencies in 1995 and years thereafter. (The definition of an "emergency," under TABOR is restricted to natural events, but excludes "economic conditions, revenue shortfalls, or district salary or fringe benefit increase.") Accordingly, the City has reviewed the existing reserves and determined that a minimum of 3%, or \$1,024,122 existed at December 31, 2017, to comply with the provisions of the TABOR Amendment.

The TABOR Amendment excludes activities or funds considered to be "enterprises." The classification of an "enterprise" under the TABOR Amendment is based on three criteria: (1) the entity be considered a government-owned business; (2) the entity be authorized to issue its own revenue bonds; (3) the entity receive under 10% of its annual revenue in grants from all Colorado and local governments combined. The Water Utility Fund and Wastewater Utility Fund, as approved by Ordinance No. 1167 and 1168, Series 1994, were declared enterprises under the TABOR Amendment definition. These two funds were combined as one enterprise fund by Ordinance No. 1412, Series 2003.

Storm water activities were added to the Water and Wastewater Utility Fund by Ordinance No. 1502, Series 2006. The Golf Course Fund, as approved by Ordinance No. 1280, Series 1998, was given enterprise status in 1998. The Solid Waste & Recycling Fund, as approved by Ordinance No. 1554, Series 2009, was given enterprise status in 2009.



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## **Required Supplementary Information**

**City of Louisville, Colorado**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance -</b>	<b>2016</b>
				<b>Positive</b>	<b>Actual</b>
				<b>(Negative)</b>	
<b>Revenue:</b>					
Taxes:					
Property tax	\$ 2,811,470	\$ 2,811,470	\$ 2,800,682	\$ (10,788)	\$ 2,748,806
Sales tax	7,330,680	7,500,030	8,267,631	767,601	7,169,673
Use tax	1,964,410	2,065,340	2,165,757	100,417	2,102,867
Franchise tax	1,037,020	1,078,070	1,078,609	539	1,057,233
Lodging tax	522,780	522,780	516,863	(5,917)	500,223
Other taxes	271,710	282,940	313,296	30,356	289,369
Licenses and permits	1,785,360	1,785,360	1,472,754	(312,606)	1,592,848
Intergovernmental	1,239,300	1,348,370	1,382,145	33,775	1,293,407
Charges for services	2,051,330	2,051,330	2,047,856	(3,474)	2,073,431
Fines and forfeitures	182,130	182,130	210,719	28,589	216,085
Miscellaneous	25,000	25,000	116,368	91,368	182,469
Interest income	50,000	50,000	59,655	9,655	64,194
Total revenue	19,271,190	19,702,820	20,432,335	729,515	19,290,605
<b>Expenditures:</b>					
Current:					
General government	4,371,139	4,808,307	4,524,479	283,828	4,079,496
Planning and building safety	1,123,701	1,467,671	1,299,734	167,937	1,034,491
Police	5,465,862	5,534,622	4,872,387	662,235	4,719,015
Public works	2,517,915	2,659,923	2,311,041	348,882	2,164,982
Library and museum services	1,921,332	1,944,312	1,850,154	94,158	1,725,600
Parks and recreation	3,208,516	3,211,638	3,006,170	205,468	3,191,788
Debt Service	-	-	8,995	(8,995)	9,089
Total expenditures	18,608,464	19,626,474	17,872,960	1,753,514	16,924,461
Excess (deficiency) of revenues over expenditures	662,726	76,346	2,559,375	2,483,029	2,366,144
<b>Other Financing Sources (Uses):</b>					
Transfers Out	(95,000)	(95,000)	(67,800)	27,200	(2,401,205)
Total other financing sources (uses)	(95,000)	(95,000)	(67,800)	27,200	(2,401,205)
<b>Net Change in Fund Balance</b>	<u>\$ 567,726</u>	<u>\$ (18,654)</u>	2,491,575	<u>\$ 2,510,229</u>	(35,061)
<b>Fund Balance, January 1</b>			5,305,769		5,340,830
<b>Fund Balance, December 31</b>			<u>\$ 7,797,344</u>		<u>\$ 5,305,769</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Open Space & Parks Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance -</b>	<b>2016</b>
				<b>Positive</b>	<b>Actual</b>
				<b>(Negative)</b>	
<b>Revenue:</b>					
Taxes:					
Sales tax	\$ 1,400,660	\$ 1,429,260	\$ 1,563,969	\$ 134,709	\$ 1,380,932
Use tax	513,160	534,770	536,240	1,470	563,966
Intergovernmental	-	-	4,800	4,800	15,000
Miscellaneous	40,210	40,210	864,429	824,219	49,697
Interest income	15,000	15,000	26,019	11,019	21,845
Total revenue	<u>1,969,030</u>	<u>2,019,240</u>	<u>2,995,457</u>	<u>976,217</u>	<u>2,031,440</u>
<b>Expenditures:</b>					
General operations	2,340,883	2,360,713	2,196,090	164,623	2,059,653
Capital outlay	1,097,208	3,342,810	2,338,315	1,004,495	313,463
Total expenditures	<u>3,438,091</u>	<u>5,703,523</u>	<u>4,534,405</u>	<u>1,169,118</u>	<u>2,373,116</u>
Excess (deficiency) of revenues over expenditures	<u>(1,469,061)</u>	<u>(3,684,283)</u>	<u>(1,538,948)</u>	<u>2,145,335</u>	<u>(341,676)</u>
<b>Other Financing Sources (Uses):</b>					
Sale of assets	-	-	6,500	6,500	-
Transfers In	1,249,000	476,880	173,950	(302,930)	1,347,000
Total other financing sources (uses)	<u>1,249,000</u>	<u>476,880</u>	<u>180,450</u>	<u>(296,430)</u>	<u>1,347,000</u>
<b>Net Change in Fund Balance</b>	<u>\$ (220,061)</u>	<u>\$ (3,207,403)</u>	<u>(1,358,498)</u>	<u>\$ 1,848,905</u>	<u>1,005,324</u>
<b>Fund Balance, January 1</b>			<u>4,005,324</u>		<u>3,000,000</u>
<b>Fund Balance, December 31</b>			<u>\$ 2,646,826</u>		<u>\$ 4,005,324</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Notes to Required Supplementary Information**  
**December 31, 2017**

**Note 1: Budgets and budgetary accounting**

The City Council follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Manager submits a proposed operating budget to the Mayor and the City Council for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures of all funds and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to the end of the fiscal year, the budget is legally adopted through passage of a resolution. An appropriation resolution, based on the adopted budget, is enacted on or before the last day of December.
4. Any revisions that alter the total appropriations of any fund must be approved by the City Council. The City's department directors may approve budget transfers within their departments and the City Manager may approve budget transfers between departments within the same fund.
5. The level on which expenditures may not legally exceed appropriations is the legally adopted annual operating budget for each fund in total. All appropriations lapse at year-end.
6. Budgets for the general, special revenue, debt service, capital projects, and permanent funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).
7. Budgets for proprietary funds are adopted on a basis consistent with generally accepted accounting principles, except that the City excludes depreciation and amortization and includes debt service principal payments and capital outlay.
8. The City Council may legally amend the budget by resolution once it has been approved. Budgeted amounts, including all amendments, are shown as adopted by the City Council.





## **Other Statements and Schedules**

## NON-MAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes

*PEG Fees Fund* – This fund is was created in 2006 in response to Resolution No. 22, Series 2006, that approved an agreement between the City of Louisville and Citizens Community Access Cable Television Management. Originally used to account for PEG grants, effective July 2009, the City’s cable provider began collecting and remitting to the City a \$0.50 per account per month PEG Fee that is split evenly between the City and CCTV for capital outlay.

*Conservation Trust – Lottery Fund* – The City of Louisville, through Resolution No. 14, dated July 16, 1974, established a Conservation Trust Fund. The City receives an annual distribution from the State of Colorado from the proceeds of the Colorado State Lottery. State law mandates that a Conservation Trust Fund be established to record revenues and expenditures and that these funds are restricted for the use in the acquisition, development, and maintenance of “new conservation sites” or for capital improvements or maintenance for recreational purposes on any public site.

*Impact Fee Fund* – The Impact Fee Fund was created in 2004 as a result of Ordinance No. 1436 Series 2003. This ordinance was to establish development impact fees for libraries, parks, trails, recreation, municipal facilities and transportation. As a result of the 2006 Impact Fee Study, the fee structures have been modified and Impact Fees are categorized as Municipal Facilities, Transportation, Library, Recreation, and Parks & Trails. A review and update to the Impact Fee Study was conducted in 2011, which resulted in a moderate reduction in Impact Fee rates.

*Cemetery Fund* – The Cemetery Fund was created on November 3, 2008 by Ordinance No. 1542. Unlike the Cemetery Perpetual Care Fund, all the revenue in the Cemetery Fund is less restricted and can be used for both cemetery maintenance and capital improvements. Beginning in 2009, all the interest revenue earned in the Cemetery Perpetual Care Fund is transferred to the Cemetery Fund for maintenance of the lots. In addition, the General Fund subsidizes the Cemetery Fund via annual interfund transfers.

*Urban Revitalization District Fund* – The Urban Revitalization District (URD) Fund was approved and established by City Council in 2006. Although the URD is a distinct and separate entity from the City, the City Council is essentially the governing body of the District, but appoints the Louisville Revitalization Commission (LRC) to oversee the general operations. The City provides all administrative, financial, and legal support services to the District. By Cooperation Agreement between the City and the LRC, the City Council must approve the District’s budget, any expenditure made by the District, the issuance of any debt, and the execution of any contractual obligations.

*Historic Preservation Fund* – On November 4, 2008, Louisville voters approved a temporary sales tax increase of 1/8% for ten years, beginning January 1, 2009. Revenue from this increase is restricted for historic preservation purposes within Old Town

Louisville. The Historic Preservation Fund was created by Ordinance No. 1544, Series 2008. Resolution No. 20, Series 2009, enacted additional provisions regarding the administration, structure, and uses of the Historic Preservation Fund.

### **Debt Service Funds**

*Library Debt Service Fund* – In 2003, the Louisville voters approved a \$7,405,000 bond issue for the construction of a new library building. In addition, the voters approved an increase in the City’s property tax levy not to exceed 1.581 mills to pay the debt service on the bonds. The majority of the construction was completed by August 2006. A capital projects fund was created to account for the proceeds of the bond issue and the costs of construction of the new library. The debt service payments are accounted for in the Library Debt Service Fund.

*Recreation Center Debt Service Fund* – In 2016, the Louisville voters approved a \$27,215,000 bond issue for the improvements and expansion of the Recreation/Senior Center and the Memory Square Pool facility. In addition, the voters approved an increase in the City’s property tax levy not to exceed 3.350 mills to pay the debt service on the bonds. The construction began in late 2017 and is accounted for in the Recreation Center Construction Fund, a capital projects fund. The debt service payments are accounted for in the Recreation Center Debt Service Fund.

### **Permanent Fund**

*Cemetery Perpetual Care Fund* – This fund is used to account for principal trust amounts received and related interest income. Beginning in 2009, all the interest revenue earned in the Cemetery Perpetual Care Fund is transferred to the Cemetery Fund for maintenance of the lots.

**City of Louisville, Colorado**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**December 31, 2017**

	Special Revenue Funds				
	PEG Fees	Conservation Trust-Lottery	Impact Fee	Cemetery	Urban Revitalization
<b>Assets:</b>					
Current assets:					
Cash and cash equivalents	\$ 69,111	\$ 590,793	\$ 959,863	\$ 29,552	\$ 679,829
Cash in escrow restricted for capital	-	-	-	-	534,161
Receivables:					
Property tax receivable	-	-	-	-	1,289,645
Sales and use tax receivable	-	-	-	-	-
Other revenue receivable	7,143	-	-	-	2,876
Interest receivable	125	1,076	2,804	96	1,648
Total assets	<u>\$ 76,379</u>	<u>\$ 591,869</u>	<u>\$ 962,667</u>	<u>\$ 29,648</u>	<u>\$ 2,508,159</u>
<b>Liabilities:</b>					
Accounts payable	\$ 3	\$ 102,872	\$ 68	\$ 2	\$ 160,069
Accrued liabilities	-	-	-	1,949	290,001
Total liabilities	<u>3</u>	<u>102,872</u>	<u>68</u>	<u>1,951</u>	<u>450,070</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue - property taxes	-	-	-	-	1,289,645
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,289,645</u>
<b>Fund Balance:</b>					
Nonspendable:					
Cemetery care	-	-	-	-	-
Restricted for:					
Conservation sites	-	488,997	-	-	-
URD improvements	-	-	-	-	768,444
Historic preservation	-	-	-	-	-
Debt service	-	-	-	-	-
Committed to:					
Public access television capital	76,376	-	-	-	-
Development impact capital	-	-	962,599	-	-
Cemetery maintenance and capital	-	-	-	27,697	-
Total fund balance	<u>76,376</u>	<u>488,997</u>	<u>962,599</u>	<u>27,697</u>	<u>768,444</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 76,379</u>	<u>\$ 591,869</u>	<u>\$ 962,667</u>	<u>\$ 29,648</u>	<u>\$ 2,508,159</u>

See the accompanying independent auditors' report

Special Revenue Funds (continued)		Debt Service Funds			Permanent Fund	Total Nonmajor Governmental Funds
Historic Preservation	Special Revenue Total	Library Debt Service	Recreation Center Debt Service	Debt Service Total	Cemetery Perpetual Care	
\$ 1,760,969	\$ 4,090,117	\$ 785,421	\$ 4,194	\$ 789,615	\$ 553,255	\$ 5,432,987
-	534,161	-	-	-	-	534,161
-	1,289,645	567,044	1,754,685	2,321,729	-	3,611,374
66,451	66,451	-	-	-	-	66,451
600	10,619	701	-	701	-	11,320
3,199	8,948	1,426	-	1,426	1,012	11,386
<u>\$ 1,831,219</u>	<u>\$ 5,999,941</u>	<u>\$ 1,354,592</u>	<u>\$ 1,758,879</u>	<u>\$ 3,113,471</u>	<u>\$ 554,267</u>	<u>\$ 9,667,679</u>
\$ 69,161	\$ 332,175	\$ 35	\$ -	\$ 35	\$ 25	\$ 332,235
2,278	294,228	-	-	-	-	294,228
<u>71,439</u>	<u>626,403</u>	<u>35</u>	<u>-</u>	<u>35</u>	<u>25</u>	<u>626,463</u>
-	1,289,645	567,044	1,754,685	2,321,729	-	3,611,374
-	1,289,645	567,044	1,754,685	2,321,729	-	3,611,374
-	-	-	-	-	554,242	554,242
-	488,997	-	-	-	-	488,997
-	768,444	-	-	-	-	768,444
1,759,780	1,759,780	-	-	-	-	1,759,780
-	-	787,513	4,194	791,707	-	791,707
-	76,376	-	-	-	-	76,376
-	962,599	-	-	-	-	962,599
-	27,697	-	-	-	-	27,697
<u>1,759,780</u>	<u>4,083,893</u>	<u>787,513</u>	<u>4,194</u>	<u>791,707</u>	<u>554,242</u>	<u>5,429,842</u>
<u>\$ 1,831,219</u>	<u>\$ 5,999,941</u>	<u>\$ 1,354,592</u>	<u>\$ 1,758,879</u>	<u>\$ 3,113,471</u>	<u>\$ 554,267</u>	<u>\$ 9,667,679</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended December 31, 2017**

	<b>Special Revenue Funds</b>				
	<b>PEG Fees</b>	<b>Conservation Trust-Lottery</b>	<b>Impact Fee</b>	<b>Cemetery</b>	<b>Urban Revitalization</b>
<b>Revenue:</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 795,640
Sales and use taxes	-	-	-	-	-
Licenses and permits	-	-	605,800	39,567	-
Intergovernmental	27,533	200,418	-	-	-
Charges for Services	-	-	-	38,790	-
Miscellaneous	-	-	-	10	-
Interest income	462	4,961	9,010	290	21,770
Total revenue	<u>27,995</u>	<u>205,379</u>	<u>614,810</u>	<u>78,657</u>	<u>817,410</u>
<b>Expenditures:</b>					
General government	36	415	3,235	138,468	651,247
Capital outlay	2,858	359,667	-	14,410	2,465,745
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	330,914
Total expenditures	<u>2,894</u>	<u>360,082</u>	<u>3,235</u>	<u>152,878</u>	<u>3,447,906</u>
Excess (deficiency) of revenues over (under) expenditures	<u>25,101</u>	<u>(154,703)</u>	<u>611,575</u>	<u>(74,221)</u>	<u>(2,630,496)</u>
<b>Other Financing Sources (Uses):</b>					
Bond Proceeds	-	-	-	-	-
Transfer In	-	-	-	71,766	-
Transfer Out	-	-	(584,640)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(584,640)</u>	<u>71,766</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>25,101</u>	<u>(154,703)</u>	<u>26,935</u>	<u>(2,455)</u>	<u>(2,630,496)</u>
<b>Fund Balance, January 1</b>	<u>51,275</u>	<u>643,700</u>	<u>935,664</u>	<u>30,152</u>	<u>3,398,940</u>
<b>Fund Balance, December 31</b>	<u>\$ 76,376</u>	<u>\$ 488,997</u>	<u>\$ 962,599</u>	<u>\$ 27,697</u>	<u>\$ 768,444</u>

See the accompanying independent auditors' report

Special Revenue Funds (continued)		Debt Service Funds			Permanent Fund	Total
Historic Preservation	Special Revenue Total	Library Debt Service	Recreation Center Debt Service	Debt Service Total	Cemetery Perpetual Care	Nonmajor Governmental Funds
\$ -	\$ 795,640	\$ 824,429	\$ -	\$ 824,429	\$ -	\$ 1,620,069
700,050	700,050	-	-	-	-	700,050
-	645,367	-	-	-	39,567	684,934
4,219	232,170	-	-	-	-	232,170
-	38,790	-	-	-	-	38,790
-	10	-	-	-	-	10
11,832	48,325	9,029	4,194	13,223	3,966	65,514
716,101	2,460,352	833,458	4,194	837,652	43,533	3,341,537
265,815	1,059,216	964	-	964	327	1,060,507
-	2,842,680	-	-	-	-	2,842,680
-	-	705,000	-	705,000	-	705,000
-	330,914	78,400	561,546	639,946	-	970,860
265,815	4,232,810	784,364	561,546	1,345,910	327	5,579,047
450,286	(1,772,458)	49,094	(557,352)	(508,258)	43,206	(2,237,510)
-	-	-	561,546	561,546	-	561,546
-	71,766	-	-	-	-	71,766
-	(584,640)	-	-	-	(3,966)	(588,606)
-	(512,874)	-	561,546	561,546	(3,966)	44,706
450,286	(2,285,332)	49,094	4,194	53,288	39,240	(2,192,804)
1,309,494	6,369,225	738,419	-	738,419	515,002	7,622,646
\$ 1,759,780	\$ 4,083,893	\$ 787,513	\$ 4,194	\$ 791,707	\$ 554,242	\$ 5,429,842

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**PEG Fees Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2016</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Intergovernmental	\$ 25,000	\$ 25,000	\$ 27,533	\$ 2,533	\$ 21,277
Interest income	200	200	462	262	340
Total revenues	<u>25,200</u>	<u>25,200</u>	<u>27,995</u>	<u>2,795</u>	<u>21,617</u>
<b>Expenditures:</b>					
General operations	40	40	36	4	26
Capital outlay	<u>25,000</u>	<u>25,000</u>	<u>2,858</u>	<u>22,142</u>	<u>1,686</u>
Total expenditures	<u>25,040</u>	<u>25,040</u>	<u>2,894</u>	<u>22,146</u>	<u>1,712</u>
<b>Net Change in Fund Balance</b>	<u>\$ 160</u>	<u>\$ 160</u>	<u>25,101</u>	<u>\$ 24,941</u>	<u>19,905</u>
<b>Fund Balance, January 1</b>			<u>51,275</u>		<u>31,370</u>
<b>Fund Balance, December 31</b>			<u><u>\$ 76,376</u></u>		<u><u>\$ 51,275</u></u>

See the accompanying independent auditors' report



**City of Louisville, Colorado**  
**Conservation Trust - Lottery Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget Variance - Positive (Negative)</b>	<b>2016 Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>		
<b>Revenue:</b>					
Intergovernmental	\$ 273,660	\$ 300,750	\$ 200,418	\$ (100,332)	\$ 223,514
Interest income	2,000	2,000	4,961	2,961	5,415
Total revenue	<u>275,660</u>	<u>302,750</u>	<u>205,379</u>	<u>(97,371)</u>	<u>228,929</u>
<b>Expenditures:</b>					
General operations	400	400	415	(15)	438
Capital outlay	290,000	548,840	359,667	189,173	257,830
Total expenditures	<u>290,400</u>	<u>549,240</u>	<u>360,082</u>	<u>189,158</u>	<u>258,268</u>
<b>Net Change in Fund Balance</b>	<u>\$ (14,740)</u>	<u>\$ (246,490)</u>	(154,703)	<u>\$ 91,787</u>	(29,339)
<b>Fund Balance, January 1</b>			643,700		673,039
<b>Fund Balance, December 31</b>			<u>\$ 488,997</u>		<u>\$ 643,700</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Impact Fee Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2016</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Licenses and permits	\$ 1,168,130	\$ 1,168,130	\$ 605,800	\$ (562,330)	\$ 1,389,229
Interest income	26,000	26,000	9,010	(16,990)	17,572
Total revenue	<u>1,194,130</u>	<u>1,194,130</u>	<u>614,810</u>	<u>(579,320)</u>	<u>1,406,801</u>
<b>Expenditures:</b>					
General government	900	900	3,235	(2,335)	1,563
Total expenditures	<u>900</u>	<u>900</u>	<u>3,235</u>	<u>(2,335)</u>	<u>1,563</u>
Excess (deficiency) of revenues over expenditures	<u>1,193,230</u>	<u>1,193,230</u>	<u>611,575</u>	<u>(581,655)</u>	<u>1,405,238</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	-	-	-	-	128,381
Transfers out	(2,726,000)	(1,986,990)	(584,640)	1,402,350	(1,336,700)
Total other financing sources (uses)	<u>(2,726,000)</u>	<u>(1,986,990)</u>	<u>(584,640)</u>	<u>1,402,350</u>	<u>(1,208,319)</u>
<b>Net Change in Fund Balance</b>	<u><u>\$(1,532,770)</u></u>	<u><u>\$ (793,760)</u></u>	26,935	<u><u>\$ 820,695</u></u>	<u><u>\$ 196,919</u></u>
<b>Fund Balance, January 1</b>			935,664		738,745
<b>Fund Balance, December 31</b>			<u><u>\$ 962,599</u></u>		<u><u>\$ 935,664</u></u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Cemetery Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2016</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Licenses and permits	\$ 33,660	\$ 33,660	\$ 39,567	\$ 5,907	\$ 20,093
Charges for Services	32,180	32,180	38,790	6,610	44,970
Miscellaneous	-	-	10	10	-
Interest income	400	400	290	(110)	377
Total revenue	<u>66,240</u>	<u>66,240</u>	<u>78,657</u>	<u>12,417</u>	<u>65,440</u>
<b>Expenditures:</b>					
General operations	150,760	143,662	138,468	5,194	140,224
Capital Outlay	7,500	19,710	14,410	5,300	15,296
Total expenditures	<u>158,260</u>	<u>163,372</u>	<u>152,878</u>	<u>10,494</u>	<u>155,520</u>
Excess (deficiency) of revenue over expenditures	<u>(92,020)</u>	<u>(97,132)</u>	<u>(74,221)</u>	<u>22,911</u>	<u>(90,080)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	<u>97,000</u>	<u>97,000</u>	<u>71,766</u>	<u>(25,234)</u>	<u>88,629</u>
<b>Net Change in Fund Balance</b>	<u>\$ 4,980</u>	<u>\$ (132)</u>	<u>(2,455)</u>	<u>\$ (2,323)</u>	<u>(1,451)</u>
<b>Fund Balance, January 1</b>			<u>30,152</u>		<u>31,603</u>
<b>Fund Balance, December 31</b>			<u>\$ 27,697</u>		<u>\$ 30,152</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Urban Revitalization District Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance -</b>	<b>2016</b>
				<b>Positive</b>	<b>Actual</b>
				<b>(Negative)</b>	
<b>Revenue:</b>					
Property taxes	\$ 800,000	\$ 800,000	\$ 795,640	\$ (4,360)	\$ 529,979
Interest income	2,000	2,000	21,770	19,770	10,186
Total revenues	802,000	802,000	817,410	15,410	540,165
<b>Expenditures:</b>					
General operations	392,730	717,730	651,247	66,483	281,679
Capital outlay	2,365,001	3,069,885	2,465,745	604,140	1,260,092
Debt service:					
Interest	125,000	125,000	330,914	(205,914)	162,458
Total expenditures	2,882,731	3,912,615	3,447,906	464,709	1,704,229
Excess (deficiency) of revenue over expenditures	(2,080,731)	(3,110,615)	(2,630,496)	480,119	(1,164,064)
<b>Other Financing Sources (Uses):</b>					
Developer Contributions	-	-	-	-	50,690
Bond Proceeds	-	-	-	-	3,750,000
Bond Issuance Costs	-	-	-	-	(50,690)
Total other financing sources (uses)	-	-	-	-	3,750,000
<b>Net Change in Fund Balance</b>	<b><u>\$(2,080,731)</u></b>	<b><u>\$(3,110,615)</u></b>	<b>(2,630,496)</b>	<b><u>\$ 480,119</u></b>	<b>2,585,936</b>
<b>Fund Balance, January 1</b>			<b>3,398,940</b>		<b>813,004</b>
<b>Fund Balance, December 31</b>			<b><u>\$ 768,444</u></b>		<b><u>\$ 3,398,940</u></b>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Historic Preservation Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget Variance - Positive (Negative)</b>	<b>2016 Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>		
<b>Revenue:</b>					
Taxes:					
Sales tax	\$ 466,890	\$ 476,430	\$ 521,333	\$ 44,903	\$ 460,319
Use tax	172,180	179,380	178,717	(663)	241,369
Intergovernmental	-	-	4,219	4,219	-
Miscellaneous	-	-	-	-	495
Interest income	5,000	5,000	11,832	6,832	8,904
Total revenue	<u>644,070</u>	<u>660,810</u>	<u>716,101</u>	<u>55,291</u>	<u>711,087</u>
<b>Expenditures:</b>					
General operations	550,966	549,276	265,815	283,461	274,788
Capital outlay	71,000	93,000	-	93,000	147,864
Total expenditures	<u>621,966</u>	<u>642,276</u>	<u>265,815</u>	<u>376,461</u>	<u>422,652</u>
Excess (deficiency) of revenue over expenditures	<u>22,104</u>	<u>18,534</u>	<u>450,286</u>	<u>431,752</u>	<u>288,435</u>
<b>Other Financing Sources (Uses):</b>					
Sale of Assets	-	-	-	-	198,884
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>198,884</u>
<b>Net Change in Fund Balance</b>	<u>\$ 22,104</u>	<u>\$ 18,534</u>	<u>450,286</u>	<u>\$ 431,752</u>	<u>487,319</u>
<b>Fund Balance, January 1</b>			<u>1,309,494</u>		<u>822,175</u>
<b>Fund Balance, December 31</b>			<u>\$ 1,759,780</u>		<u>\$ 1,309,494</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Library Debt Service Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance -</b>	<b>2016</b>
				<b>Positive</b>	<b>Actual</b>
				<b>(Negative)</b>	
<b>Revenue:</b>					
Taxes:					
Property taxes	\$ 833,350	\$ 833,350	\$ 824,429	\$ (8,921)	\$ 810,731
Interest income	4,000	4,000	9,029	5,029	7,960
Total revenue	837,350	837,350	833,458	(3,892)	818,691
<b>Expenditures:</b>					
General Operations	1,100	1,050	964	86	956
Debt service:					
Principal	700,000	705,000	705,000	-	620,000
Interest	79,570	79,570	78,400	1,170	101,925
Total expenditures	780,670	785,620	784,364	1,256	722,881
<b>Net Change in Fund Balance</b>	<b>\$ 56,680</b>	<b>\$ 51,730</b>	49,094	<b>\$ (2,636)</b>	95,810
<b>Fund Balance, January 1</b>			738,419		642,609
<b>Fund Balance, December 31</b>			<b>\$ 787,513</b>		<b>\$ 738,419</b>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Recreation Center Debt Service Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance -</b>	<b>2016</b>
				<b>Positive</b>	<b>Actual</b>
				<b>(Negative)</b>	
<b>Revenue:</b>					
Taxes:					
Interest income	\$ -	\$ -	\$ 4,194	\$ 4,194	\$ -
Total revenue	-	-	4,194	4,194	-
<b>Expenditures:</b>					
Debt service:					
Interest	-	562,000	561,546	454	-
Total expenditures	-	562,000	561,546	454	-
Excess (deficiency) of revenue over expenditures	-	(562,000)	(557,352)	4,648	-
<b>Other Financing Sources (Uses):</b>					
Bond Proceeds	-	562,000	561,546	(454)	-
Total other financing sources (uses)	-	562,000	561,546	(454)	-
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	4,194	<u>\$ 4,194</u>	-
<b>Fund Balance, January 1</b>			-		-
<b>Fund Balance, December 31</b>			<u>\$ 4,194</u>		<u>\$ -</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Cemetery Perpetual Care Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2016</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Licenses and permits	\$ 33,660	\$ 33,660	\$ 39,567	\$ 5,907	\$ 20,092
Interest income	2,000	2,000	3,966	1,966	3,962
Total revenue	<u>35,660</u>	<u>35,660</u>	<u>43,533</u>	<u>7,873</u>	<u>24,054</u>
<b>Expenditures:</b>					
General operations	300	300	327	(27)	315
Total expenditures	<u>300</u>	<u>300</u>	<u>327</u>	<u>(27)</u>	<u>315</u>
Excess (deficiency) of revenue over expenditures	<u>35,360</u>	<u>35,360</u>	<u>43,206</u>	<u>7,846</u>	<u>23,739</u>
<b>Other Financing Sources (Uses):</b>					
Transfers out	<u>(2,000)</u>	<u>(2,000)</u>	<u>(3,966)</u>	<u>(1,966)</u>	<u>(3,962)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 33,360</u>	<u>\$ 33,360</u>	<u>39,240</u>	<u>\$ 5,880</u>	<u>19,777</u>
<b>Fund Balance, January 1</b>			<u>515,002</u>		<u>495,225</u>
<b>Fund Balance, December 31</b>			<u>\$ 554,242</u>		<u>\$ 515,002</u>

See the accompanying independent auditors' report



**City of Louisville, Colorado**  
**Capital Projects Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget Variance - Positive (Negative)</b>	<b>2016 Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>		
<b>Revenue:</b>					
Taxes:					
Sales tax	\$ 3,669,880	\$ 3,746,180	\$ 4,130,009	\$ 383,829	\$ 3,581,127
Use tax	1,883,450	1,955,420	2,018,889	63,469	2,088,763
Intergovernmental	-	-	233,234	233,234	2,208,419
Charges for services	10,000	10,000	15,300	5,300	-
Miscellaneous	203,090	203,090	846,854	643,764	307,599
Interest income	15,000	15,000	32,266	17,266	32,050
Total revenue	<u>5,781,420</u>	<u>5,929,690</u>	<u>7,276,552</u>	<u>1,346,862</u>	<u>8,217,958</u>
<b>Expenditures:</b>					
General operations	354,493	355,118	368,767	(13,649)	451,957
Capital outlay	5,006,030	9,688,688	6,418,068	3,270,620	10,328,444
Total expenditures	<u>5,360,523</u>	<u>10,043,806</u>	<u>6,786,835</u>	<u>3,256,971</u>	<u>10,780,401</u>
Excess (deficiency) of revenue over expenditures	<u>420,897</u>	<u>(4,114,116)</u>	<u>489,717</u>	<u>4,603,833</u>	<u>(2,562,443)</u>
<b>Other Financing Sources (Uses):</b>					
Sale of Assets	-	-	2,050	2,050	-
Transfers In	1,477,000	1,924,610	825,151	(1,099,459)	342,200
Total other financing sources (uses)	<u>1,477,000</u>	<u>1,924,610</u>	<u>827,201</u>	<u>(1,097,409)</u>	<u>342,200</u>
<b>Net Change in Fund Balance</b>	<u>\$ 1,897,897</u>	<u>\$ (2,189,506)</u>	1,316,918	<u>\$ 3,506,424</u>	(2,220,243)
<b>Fund Balance, January 1</b>			3,376,846		5,597,089
<b>Fund Balance, December 31</b>			<u>\$ 4,693,764</u>		<u>\$ 3,376,846</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Recreation Center Construction Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget Variance - Positive (Negative)</b>	<b>2016 Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>		
<b>Revenue:</b>					
Interest income	-	-	205,664	205,664	-
Total revenue	-	-	205,664	205,664	-
<b>Expenditures:</b>					
General operations	-	-	399	(399)	-
Bond Issuance Costs	-	200,000	192,839	7,161	-
Capital outlay	-	4,969,000	2,886,128	2,082,872	-
Total expenditures	-	5,169,000	3,079,366	2,089,634	-
Excess (deficiency) of revenue over expenditures	-	(5,169,000)	(2,873,702)	2,295,298	-
<b>Other Financing Sources (Uses):</b>					
Bond Proceeds	-	28,500,000	28,499,695	(305)	-
Transfers Out	-	(414,500)	(414,461)	39	-
Total other financing sources (uses)	-	28,085,500	28,085,234	(266)	-
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$22,916,500</b>	25,211,532	<b>\$ 2,295,032</b>	-
<b>Fund Balance, January 1</b>			-		-
<b>Fund Balance, December 31</b>			<b>\$ 25,211,532</b>		<b>\$ -</b>

See the accompanying independent auditors' report

## **ENTERPRISE FUNDS**

### **Individual Fund Budget Schedules**

*Consolidated Utility Fund* – This fund accounts for the provision of water, wastewater, and storm water services to residents and some outside users. All activities that are necessary to provide such services are accounted for in these funds, including, but not limited to: administration, billing operations, environmental monitoring, capital outlay, and maintenance, financing, and related debt.

*Golf Course Fund* – The Golf Course Fund accounts for the activities of the Coal Creek Golf Course, which is owned and operated by the City.

*Solid Waste & Recycling Fund* – This fund was created by Ordinance No. 1554, Series 2009, to account for the resources generated and the costs incurred to provide solid waste pickup and recycling services. Since inception, the City has contracted with a private solid waste disposal company to perform the pickup and recycling services.

**City of Louisville, Colorado**  
**Consolidated Utility Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance -</b>	<b>2016</b>
				<b>Positive</b>	<b>Actual</b>
				<b>(Negative)</b>	
<b>Revenue:</b>					
Intergovernmental	\$ 100,000	\$ 100,000	\$ 600,824	\$ 500,824	\$ 2,820,408
Charges for services	9,406,230	9,602,100	9,958,020	355,920	9,678,068
Tap fees	11,825,400	11,825,400	5,478,254	(6,347,146)	8,466,452
Miscellaneous	153,420	153,420	373,085	219,665	202,456
Interest income	97,000	97,000	213,700	116,700	137,368
Payment of advances	-	-	-	-	1,147,173
Total revenue	<u>21,582,050</u>	<u>21,777,920</u>	<u>16,623,883</u>	<u>(5,154,037)</u>	<u>22,451,925</u>
<b>Expenditures:</b>					
General operations	6,245,671	7,055,730	5,282,177	1,773,553	5,279,290
Capital outlay	11,876,510	22,179,343	11,834,815	10,344,528	29,617,481
Debt service	2,485,980	2,485,980	2,509,063	(23,083)	2,511,561
Total expenditures	<u>20,608,161</u>	<u>31,721,053</u>	<u>19,626,055</u>	<u>12,094,998</u>	<u>37,408,332</u>
<b>Net Income (Loss), Budget Basis</b>	<u>\$ 973,889</u>	<u>\$ (9,943,133)</u>	<u>(3,002,172)</u>	<u>\$ 6,940,961</u>	<u>(14,956,407)</u>
<b>Reconciliation from Budget Basis (non-GAAP) to GAAP:</b>					
Add:					
Capitalized assets			11,542,704		29,328,123
Capitalized interest			546,325		658,738
Advances to Other Funds			-		-
Principal retired			1,654,027		1,653,508
Amortization of bond premium			37,625		37,625
Accrued Interest on Interfund Loan			-		8,257
Gain on Asset Write-off			-		-
Gain on Debt Defeasance			-		60,719
Contributions from development			228,175		860,754
Subtract:					
Bond proceeds			-		-
Bond Premium			-		-
Depreciation and amortization			(2,490,709)		(1,986,092)
Loss on asset write-off			(518,973)		(97,682)
Payment of advances			-		(1,147,173)
<b>Change in Net Position GAAP Basis</b>			<u>\$ 7,997,002</u>		<u>\$ 14,420,370</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Golf Course Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2016</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Charges for services	\$ 1,585,500	\$ 1,585,500	\$ 1,535,442	\$ (50,058)	\$ 1,371,840
Miscellaneous income	9,100	9,100	655	(8,445)	54,914
Interest income	-	-	3,454	3,454	2,689
Transfers In	-	-	-	-	1,147,173
Total revenue	<u>1,594,600</u>	<u>1,594,600</u>	<u>1,539,551</u>	<u>(55,049)</u>	<u>2,576,616</u>
<b>Expenditures:</b>					
General operations	1,471,738	1,466,235	1,402,787	63,448	1,359,885
Capital outlay	171,900	23,942	8,757	15,185	68,872
Payment of Advances	-	-	-	-	1,147,173
Total expenditures	<u>1,643,638</u>	<u>1,490,177</u>	<u>1,411,544</u>	<u>78,633</u>	<u>2,575,930</u>
<b>Net Income (Loss), Budget Basis</b>	<u>\$ (49,038)</u>	<u>\$ 104,423</u>	128,007	<u>\$ 23,584</u>	686
<b>Reconciliation from Budget Basis (non-GAAP) to GAAP:</b>					
Add:					
Capitalized Assets			5,295		42,130
Payment of Advances			-		1,147,173
Capital Contribution			-		10,053
Subtract:					
Depreciation and amortization			(385,019)		(384,670)
Accrued Interest on Interfund Loan			-		(8,257)
Loss on Asset Write-Off			-		(22,471)
<b>Change in Net Position GAAP Basis</b>			<u>\$ (251,717)</u>		<u>\$ 784,644</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Solid Waste & Recycling Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2016</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Charges for services	\$ 1,675,640	\$ 1,675,640	\$ 1,617,620	\$ (58,020)	\$ 1,537,734
Miscellaneous income	-	-	-	-	15,740
Interest income	1,000	1,000	-	(1,000)	231
Total revenue	<u>1,676,640</u>	<u>1,676,640</u>	<u>1,617,620</u>	<u>(59,020)</u>	<u>1,553,705</u>
<b>Expenditures:</b>					
General operations	1,617,490	1,630,914	1,592,967	37,947	1,595,911
Total expenditures	<u>1,617,490</u>	<u>1,630,914</u>	<u>1,592,967</u>	<u>37,947</u>	<u>1,595,911</u>
<b>Net Income (Loss), Budget and GAAP Basis</b>	<u>\$ 59,150</u>	<u>\$ 45,726</u>	<u>\$ 24,653</u>	<u>\$ (21,073)</u>	<u>\$ (42,206)</u>

See the accompanying independent auditors' report

## INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

*Building Maintenance Fund* – In 2003, the City of Louisville established the Building Maintenance Fund for the purpose of accumulating funds for the future maintenance and improvement of municipal facilities, such as the Recreation Center, City Hall, Library, City Shops, Museum, and Arts Center. In 2014, the remaining working capital in the fund was transferred to the Capital Projects Fund.

*Technology Management Fund* – In 1999, the City of Louisville established the Technology Management Fund for the purpose of accumulating funds for the replacement of computer hardware and peripherals.

*Fleet Management Fund* – In 1991, the City of Louisville established the Fleet Management Fund for the purpose of accumulating funds for the replacement of capital assets such as large machinery, heavy equipment, and vehicles.

**City of Louisville, Colorado**  
**Internal Service Funds**  
**Combining Statement of Net Position**  
**December 31, 2017**

	<b>Building Maintenance</b>	<b>Technology Management</b>	<b>Fleet Management</b>	<b>Total Internal Service Funds</b>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ -	\$ 188,817	\$ 656,178	\$ 844,995
Interest receivable	-	343	1,191	1,534
Total current assets	-	189,160	657,369	846,529
Noncurrent assets:				
Capital assets:				
Buildings	374,536	-	-	374,536
Machinery and equipment	-	-	3,068,724	3,068,724
Office furniture and fixtures	-	140,752	-	140,752
Accumulated depreciation	(99,195)	(127,215)	(1,793,913)	(2,020,323)
Total capital assets (net of accumulated depreciation)	275,341	13,537	1,274,811	1,563,689
Total noncurrent assets	275,341	13,537	1,274,811	1,563,689
Total assets	275,341	202,697	1,932,180	2,410,218
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	-	9,581	89,504	99,085
Total liabilities	-	9,581	89,504	99,085
<b>NET POSITION</b>				
Invested in capital assets	275,341	13,537	1,274,811	1,563,689
Unrestricted	-	179,579	567,865	747,444
Total net position	\$ 275,341	\$ 193,116	\$ 1,842,676	\$ 2,311,133

See the accompanying independent auditors' report



**City of Louisville, Colorado**  
**Internal Service Funds**  
**Combining Statement of Revenues, Expenses,**  
**and Changes in Net Position**  
**For the Year Ended December 31, 2017**

	<b>Building Maintenance</b>	<b>Technology Management</b>	<b>Fleet Management</b>	<b>Total Internal Service Funds</b>
<b>Operating revenue:</b>				
Charges for services	\$ -	\$ 70,242	\$ -	70,242
Total operating revenue	-	70,242	-	70,242
<b>Operating expenses:</b>				
Costs of sales and services	-	92,332	415	92,747
Depreciation	20,320	12,854	234,137	267,311
Total operating expenses	20,320	105,186	234,552	360,058
<b>Operating income (loss)</b>	(20,320)	(34,944)	(234,552)	(289,816)
<b>Nonoperating revenues (expenses):</b>				
Interest income	-	1,424	4,839	6,263
Total nonoperating revenues (expenses)	-	1,424	4,839	6,263
Change in net position	(20,320)	(33,520)	(229,713)	(283,553)
<b>Net position January 1</b>	295,661	226,636	2,072,389	2,594,686
<b>Net position December 31</b>	<u>\$ 275,341</u>	<u>\$ 193,116</u>	<u>\$ 1,842,676</u>	<u>2,311,133</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended December 31, 2017**

	<b>Building Maintenance</b>	<b>Technology Management</b>	<b>Fleet Management</b>	<b>Total Internal Service Funds</b>
<b>Cash flows from operating activities:</b>				
Receipts from customers and users	\$ -	\$ 70,242	\$ -	\$ 70,242
Payments to suppliers	-	(82,760)	89,054	6,294
Net cash provided (used) by operating activities	-	(12,518)	89,054	76,536
<b>Cash flows from capital and related financing activities:</b>				
Purchases of capital assets	-	-	(188,885)	(188,885)
<b>Cash flows from investing activities:</b>				
Interest earnings	-	1,433	4,972	6,405
Net increase (decrease) in cash and cash equivalents	-	(11,085)	(94,859)	(105,944)
<b>Cash and cash equivalents, January 1</b>	-	199,902	751,037	950,939
<b>Cash and cash equivalents, December 31</b>	<u>\$ -</u>	<u>\$ 188,817</u>	<u>\$ 656,178</u>	<u>\$ 844,995</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	(20,320)	\$ (34,944)	\$ (234,552)	\$ (289,816)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	20,320	12,854	234,137	267,311
Change in assets and liabilities:				
Accounts payable	-	9,572	89,469	99,041
<b>Net cash provided by operating activities</b>	<u>\$ -</u>	<u>\$ (12,518)</u>	<u>\$ 89,054</u>	<u>\$ 76,536</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Building Maintenance Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance -</b>	<b>2016</b>
				<b>Positive</b>	<b>Actual</b>
				<b>(Negative)</b>	
<b>Revenue:</b>					
Total revenue	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>					
Total expenditures	-	-	-	-	-
<b>Net Income, Budget Basis</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
<b>Reconciliation from Budget Basis (non-GAAP) to GAAP:</b>					
Subtract:					
Depreciation			(20,320)		(16,326)
<b>Change in Net Position GAAP Basis</b>			<u>\$ (20,320)</u>		<u>\$ (16,326)</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Technology Management Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2016</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Charges for Services	\$ 70,170	\$ 70,170	\$ 70,242	\$ 72	\$ 70,190
Interest Income	1,000	1,000	1,424	424	1,481
Total Revenue	<u>71,170</u>	<u>71,170</u>	<u>71,666</u>	<u>496</u>	<u>71,671</u>
<b>Expenditures:</b>					
General Operations	750	750	119	631	994
Capital Outlay	<u>85,000</u>	<u>91,768</u>	<u>92,213</u>	<u>(445)</u>	<u>23,232</u>
Total Expenditures	<u>85,750</u>	<u>92,518</u>	<u>92,332</u>	<u>186</u>	<u>24,226</u>
<b>Net Income, Budget Basis</b>	<u>\$ (14,580)</u>	<u>\$ (21,348)</u>	(20,666)	<u>\$ 682</u>	47,445
<b>Reconciliation from Budget Basis (non-GAAP) to GAAP:</b>					
Subtract:					
Depreciation			<u>(12,854)</u>		<u>(14,157)</u>
<b>Change in Net Position GAAP Basis</b>			<u>\$ (33,520)</u>		<u>\$ 33,288</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Fleet Management Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2017**  
**(With Comparative Totals for the Year Ended December 31, 2016)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2016</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Charges for services	\$ 242,960	\$ 242,960	\$ -	\$ (242,960.00)	\$ 238,620
Miscellaneous income	-	-	-	-	17,402
Interest income	3,000	3,000	4,839	1,839	5,699
Total Revenue	<u>245,960</u>	<u>245,960</u>	<u>4,839</u>	<u>(241,121)</u>	<u>261,721</u>
<b>Expenditures:</b>					
General operations	750	750	415	335	455
Capital outlay	206,700	282,000	188,885	93,115	179,798
Total expenditures	<u>207,450</u>	<u>282,750</u>	<u>189,300</u>	<u>93,450</u>	<u>180,253</u>
<b>Net Income (Loss), Budget Basis</b>	<u>\$ 38,510</u>	<u>\$ (36,790)</u>	(184,461)	<u>\$ (147,671)</u>	81,468
<b>Reconciliation from Budget Basis (non-GAAP) to GAAP:</b>					
Add:					
Capitalized assets			188,885		179,797
Subtract:					
Depreciation			<u>(234,137)</u>		<u>(230,982)</u>
<b>Change in Net Position, GAAP Basis</b>			<u>\$ (229,713)</u>		<u>\$ 30,283</u>

See the accompanying independent auditors' report



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## **Statistical Section**

## STATISTICAL SECTION

This part of the City of Louisville's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents	Pages
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Net Position by Component	106
Change in Net Position	108
Fund Balances of Governmental Funds	112
Changes in Fund Balances of Governmental Funds	114
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.	
Tax Revenue by Source – Governmental Funds	116
Assessed Value and Estimated Actual Value of Taxable Property	117
Property Tax Rates and Tax Levies – Direct and Overlapping Governments	118
Principle Property Tax Payers	119
Property Tax Levies and Collections	120
Sales Tax Collections by Category	121
Direct and Overlapping Sales Tax Rates	123
Sales Tax Payers by Industry	124
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Ratios of Outstanding Debt by Type	126
Calculation of Direct and Overlapping Bonded Debt	128
Computation of Legal Debt Margin	130
Pledged Revenue Coverage	132
<b>Demographics</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	
Principal Employers	133
Demographic and Economic Statistics	134
Full-Time Employees by Function/Program	135

(continued)



<b>Contents</b>	<b>Pages</b>
<b>Operating Information</b>	
These schedules contain information about the city's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	
Operating Indicators by Function/Program	136
Capital Asset Statistics by Function/Program	138

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**City of Louisville, Colorado**  
**Net Position by Component**  
**Last Ten Years**  
*(accrual basis of accounting)*

	Fiscal Year			
	2008	2009	2010	2011
Governmental activities:				
Net investment in capital assets	\$ 79,066,972	\$ 81,441,060	\$ 82,256,705	\$ 84,630,709
Restricted	9,689,202	9,928,902	9,803,747	14,354,176
Unrestricted	12,428,646	10,508,717	12,223,531	8,624,784
Total governmental activities net position	<u>\$ 101,184,820</u>	<u>\$ 101,878,679</u>	<u>\$ 104,283,983</u>	<u>\$ 107,609,669</u>
Business-type activities:				
Net investment in capital assets	\$ 60,205,842	\$ 61,015,676	\$ 61,853,539	\$ 63,658,469
Restricted	1,030,617	2,100,617	3,013,817	1,250,000
Unrestricted	13,442,285	11,694,151	9,008,956	12,204,028
Total business-type activities net position	<u>\$ 74,678,744</u>	<u>\$ 74,810,444</u>	<u>\$ 73,876,312</u>	<u>\$ 77,112,497</u>
Primary government:				
Net investment in capital assets	\$ 139,272,814	\$ 142,456,736	\$ 144,110,244	\$ 148,289,178
Restricted	10,719,819	12,029,519	12,817,564	15,604,176
Unrestricted	25,870,931	22,202,868	21,232,487	20,828,812
Total primary government net position	<u>\$ 175,863,564</u>	<u>\$ 176,689,123</u>	<u>\$ 178,160,295</u>	<u>\$ 184,722,166</u>

**Schedule 1**

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ 87,258,423	\$ 90,919,036	\$ 95,447,349	\$ 102,834,966	\$ 108,153,971	\$ 115,130,035
19,077,005	17,412,130	17,305,576	12,911,307	14,893,996	12,727,882
5,660,045	7,556,314	4,136,883	5,349,355	5,384,411	6,614,403
<u>\$ 111,995,473</u>	<u>\$ 115,887,480</u>	<u>\$ 116,889,808</u>	<u>\$ 121,095,628</u>	<u>\$ 128,432,378</u>	<u>\$ 134,472,320</u>
\$ 65,677,762	\$ 65,806,134	\$ 75,983,429	\$ 59,420,788	\$ 90,725,131	\$ 101,245,580
1,394,377	144,392	144,407	144,424		
16,063,091	20,684,118	21,291,938	44,383,568	28,386,460	25,635,940
<u>\$ 83,135,230</u>	<u>\$ 86,634,644</u>	<u>\$ 97,419,774</u>	<u>\$ 103,948,780</u>	<u>\$ 119,111,591</u>	<u>\$ 126,881,520</u>
\$ 152,936,185	\$ 156,725,170	\$ 171,430,778	\$ 162,255,754	\$ 198,879,102	\$ 216,375,615
20,471,382	17,556,522	17,449,983	13,055,731	14,893,996	12,727,882
21,723,136	28,240,432	25,428,821	49,732,923	33,770,871	32,250,343
<u>\$ 195,130,703</u>	<u>\$ 202,522,124</u>	<u>\$ 214,309,582</u>	<u>\$ 225,044,408</u>	<u>\$ 247,543,969</u>	<u>\$ 261,353,840</u>

**City of Louisville, Colorado**  
**Change in Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year			
	2008	2009	2010	2011
<b>Expenses</b>				
Governmental activities:				
General government	\$ 3,527,497	\$ 5,915,570	\$ 4,883,885	\$ 5,033,889
Public Safety	4,055,906	4,059,025	3,910,810	4,125,237
Public Works	4,704,093	5,015,984	4,360,451	3,881,729
Culture & recreation	5,976,816	4,486,958	5,057,914	4,630,197
Interest on long-term debt	304,554	288,172	268,997	248,327
Total governmental activities expenses	<u>18,568,866</u>	<u>19,765,709</u>	<u>18,482,057</u>	<u>17,919,379</u>
Business-type activities:				
Water & wastewater	6,072,983	6,318,340	7,490,716	6,235,542
Golf	1,947,782	1,832,132	414,501	126,305
Solid Waste & Recycling	-	591,374	1,021,794	1,095,806
Total business-type activities	<u>8,020,765</u>	<u>8,741,846</u>	<u>8,927,011</u>	<u>7,457,653</u>
Total primary government expenses	<u>\$ 26,589,631</u>	<u>\$ 28,507,555</u>	<u>\$ 27,409,068</u>	<u>\$ 25,377,032</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government	\$ 726,968	\$ 500,794	\$ 651,481	\$ 885,971
Public Safety	137,265	194,730	212,851	180,802
Public works	387,877	60,049	23,720	125,353
Culture & recreation	1,800,763	1,788,511	1,880,133	2,184,594
Operating grants and contributions	720,388	695,752	798,576	1,033,901
Capital grants and contributions	346,603	1,925,542	2,021,184	347,156
Total governmental activities program revenues	<u>4,119,864</u>	<u>5,165,378</u>	<u>5,587,945</u>	<u>4,757,777</u>
Business-type activities:				
Charges for services:				
Water & wastewater	\$ 6,836,012	\$ 5,829,653	\$ 6,070,081	\$ 6,630,588
Golf	1,921,332	1,749,153	217,551	187,791
Solid Waste & Recycling	-	605,476	1,060,460	1,128,108
Capital grants and contributions	1,221,728	492,695	461,473	2,686,553
Total business-type activities program revenues	<u>9,979,072</u>	<u>8,676,977</u>	<u>7,809,565</u>	<u>10,633,040</u>
Total primary government program revenues	<u>\$ 14,098,936</u>	<u>\$ 13,842,355</u>	<u>\$ 13,397,510</u>	<u>\$ 15,390,817</u>

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ 5,647,501	\$ 5,649,915	\$ 6,675,768	\$ 7,171,557	\$ 9,891,109	\$ 7,983,427
4,239,732	4,401,899	4,553,551	4,441,084	4,780,161	5,082,261
4,363,102	4,682,257	4,936,452	5,650,163	4,131,484	5,423,279
5,140,675	5,439,352	5,292,993	6,448,556	5,704,015	8,832,366
225,414	200,664	143,261	179,807	266,353	896,534
19,616,424	20,374,087	21,602,024	23,891,167	24,773,122	28,217,866
6,023,493	7,094,607	6,925,945	7,500,879	7,851,737	8,892,682
113,738	102,384	725,639	1,372,857	1,802,025	1,791,268
1,158,653	1,215,817	1,308,423	1,538,800	1,595,911	1,592,967
7,295,884	8,412,808	8,960,007	10,412,536	11,249,673	12,276,917
\$ 26,912,308	\$ 28,786,895	\$ 30,562,031	\$ 34,303,703	\$ 36,022,795	\$ 40,494,783
\$ 1,111,862	\$ 1,304,308	\$ 1,197,741	\$ 1,600,561	\$ 1,807,195	\$ 1,691,937
168,048	164,233	190,378	144,169	170,808	170,068
53,422	48,037	50,601	45,858	96,003	952,389
2,699,179	2,609,086	2,334,963	2,823,928	3,672,314	2,380,663
1,030,853	1,090,656	1,187,323	1,047,638	783,790	384,849
1,189,700	229,807	946,517	1,514,534	2,660,533	2,014,711
6,253,064	5,446,127	5,907,523	7,176,688	9,190,643	7,594,617
\$ 7,653,168	\$ 7,026,998	\$ 7,639,334	\$ 8,218,051	\$ 9,880,524	\$ 10,331,106
184,551	96,057	61,271	806,648	1,426,754	1,536,097
1,164,080	1,179,859	1,331,448	1,495,109	1,553,474	1,617,620
4,154,421	4,778,437	6,793,255	4,870,109	12,147,614	6,307,253
13,156,220	13,081,351	15,825,308	15,389,917	25,008,366	19,792,076
\$ 19,409,284	\$ 18,527,478	\$ 21,732,831	\$ 22,566,605	\$ 34,199,009	\$ 27,386,693

**City of Louisville, Colorado**  
**Change in Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year			
	2008	2009	2010	2011
<b>Net (Expense)/Revenue</b>				
Governmental activities	\$ (14,449,002)	\$ (14,600,331)	\$ (12,894,111)	\$ (13,161,601)
Business-type activities	1,958,307	(64,869)	(1,117,446)	3,175,387
Total primary government expenses	<u>\$ (12,490,695)</u>	<u>\$ (14,665,200)</u>	<u>\$ (14,011,557)</u>	<u>\$ (9,986,214)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Taxes:				
Property taxes	\$ 2,845,816	\$ 2,851,029	\$ 2,994,253	\$ 3,004,038
Sales tax	9,417,834	9,087,268	8,800,525	9,086,243
Use tax	1,159,510	964,036	1,049,104	2,184,874
Franchise tax	1,142,519	953,819	998,022	1,013,415
Other tax	541,135	483,320	482,861	492,680
General intergovernmental revenue	123,434	154,825	165,274	61,753
Investment earnings	1,203,708	482,370	297,238	192,355
Miscellaneous	95,982	253,519	448,132	387,926
Transfers	64,000	64,000	64,000	64,000
Total governmental activities	<u>16,593,938</u>	<u>15,294,186</u>	<u>15,299,409</u>	<u>16,487,284</u>
Business-type activities :				
Investment earnings	769,384	260,568	186,587	116,781
Miscellaneous	-	-	60,724	8,020
Transfers	(64,000)	(64,000)	(64,000)	(64,000)
Total business-type activities	<u>705,384</u>	<u>196,568</u>	<u>183,311</u>	<u>60,801</u>
Total primary government	<u>\$ 17,299,322</u>	<u>\$ 15,490,754</u>	<u>\$ 15,482,720</u>	<u>\$ 16,548,085</u>
<b>Extraordinary Item</b>				
Governmental activities:				
Loss on impairment of assets	\$ -	\$ -	\$ -	\$ -
Total governmental activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type activities:				
Loss on impairment of assets	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Change in Net Position</b>				
Governmental activities	\$ 2,144,936	\$ 693,855	\$ 2,405,298	\$ 3,325,684
Business-type activities	2,663,691	131,699	(934,135)	3,236,188
Total primary government	<u>\$ 4,808,627</u>	<u>\$ 825,554</u>	<u>\$ 1,471,163</u>	<u>\$ 6,561,872</u>

**Schedule 2  
(Continued)**

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ (13,363,360)	\$ (14,927,960)	\$ (15,694,501)	\$ (16,714,479)	\$ (15,582,479)	\$ (20,623,249)
5,860,336	4,668,543	6,865,301	4,977,381	13,758,693	7,515,159
<u>\$ (7,503,024)</u>	<u>\$ (10,259,417)</u>	<u>\$ (8,829,200)</u>	<u>\$ (11,737,098)</u>	<u>\$ (1,823,786)</u>	<u>\$ (13,108,090)</u>
\$ 2,950,576	\$ 2,982,528	\$ 3,187,825	\$ 3,452,375	\$ 4,089,516	\$ 4,420,751
9,747,679	10,441,013	11,230,542	11,778,592	12,592,051	14,482,942
3,012,454	3,808,835	3,740,268	4,305,785	4,996,965	4,899,603
994,447	1,059,412	1,123,485	1,080,496	1,057,233	1,078,609
558,755	640,578	711,022	748,861	789,592	830,159
65,192	78,281	123,200	335,031	242,592	323,434
148,160	83,472	102,904	96,946	180,038	395,381
329,811	310,051	306,402	476,828	285,967	232,312
(57,914)	(434,038)	(3,828,821)	(1,354,613)	(1,147,173)	-
<u>17,749,160</u>	<u>18,970,132</u>	<u>16,696,827</u>	<u>20,920,301</u>	<u>23,086,781</u>	<u>26,663,191</u>
104,480	67,613	91,010	80,639	148,545	217,154
-	151,050	-	116,372	108,397	37,625
57,914	434,038	3,828,821	1,354,613	1,147,173	-
<u>162,394</u>	<u>652,701</u>	<u>3,919,831</u>	<u>1,551,624</u>	<u>1,404,115</u>	<u>254,779</u>
<u>\$ 17,911,554</u>	<u>\$ 19,622,833</u>	<u>\$ 20,616,658</u>	<u>\$ 22,471,925</u>	<u>\$ 24,490,896</u>	<u>\$ 26,917,970</u>
\$ -	\$ (150,161)	\$ -	\$ -	\$ -	\$ -
-	(150,161)	-	-	-	-
-	(1,821,826)	-	-	-	-
-	(1,821,826)	-	-	-	-
\$ -	\$ (1,971,987)	\$ -	\$ -	\$ -	\$ -
\$ 4,385,801	\$ 3,892,011	\$ 1,002,326	\$ 4,205,822	\$ 7,504,302	\$ 6,039,942
6,022,730	3,499,418	10,785,132	6,529,005	15,162,808	7,769,938
<u>\$ 10,408,531</u>	<u>\$ 7,391,429</u>	<u>\$ 11,787,458</u>	<u>\$ 10,734,827</u>	<u>\$ 22,667,110</u>	<u>\$ 13,809,880</u>

**City of Louisville, Colorado**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	Fiscal Year			
	2008	2009	2010	2011 (1)
<b>General Fund</b>				
Reserved	\$ 770,140	\$ 793,766	\$ 729,274	
Unreserved	3,893,555	3,610,562	4,372,114	
Nonspendable				155,739
Restricted				641,687
Assigned				160,664
Unassigned				5,374,697
Total general fund	<u>\$ 4,663,695</u>	<u>\$ 4,404,328</u>	<u>\$ 5,101,388</u>	<u>\$ 6,332,787</u>
<b>All Other Governmental Funds</b>				
Reserved	\$ 9,236,301	\$ 9,290,495	\$ 9,230,903	
Unreserved, reported in:				
Special revenue funds	2,219,022	2,057,673	2,121,948	
Capital projects funds	4,136,295	3,084,324	2,953,722	
Nonspendable				370,597
Restricted				13,341,892
Committed				1,493,579
Total all other governmental funds	<u>\$ 15,591,618</u>	<u>\$ 14,432,492</u>	<u>\$ 14,306,573</u>	<u>\$ 15,206,068</u>

**Notes:**

(1) Beginning in 2011, GASB 54 requires governmental fund balances to be reported as Nonspendable, Restricted, Assigned or Unassigned. See Note 1 (D)(10) to the Financial Statements for more information.



### Schedule 3

Fiscal year					
2012	2013	2014	2015	2016	2017
184,727	70,552	185,255	166,746	176,999	188,058
816,524	761,218	933,822	868,162	906,269	1,024,122
14,784	61,239	242,521	84,856	37,128	32,718
3,241,366	5,597,320	2,297,188	4,221,063	4,185,373	6,552,446
<u>\$ 4,257,401</u>	<u>\$ 6,490,329</u>	<u>\$ 3,658,786</u>	<u>\$ 5,340,827</u>	<u>\$ 5,305,769</u>	<u>\$ 7,797,344</u>

397,021	424,221	456,256	495,226	515,002	554,242
17,863,460	16,226,691	15,915,498	11,547,919	13,472,725	36,361,050
1,206,684	1,003,273	482,548	975,379	1,017,091	1,066,672
<u>\$ 19,467,165</u>	<u>\$ 17,654,185</u>	<u>\$ 16,854,302</u>	<u>\$ 13,018,524</u>	<u>\$ 15,004,818</u>	<u>\$ 37,981,964</u>

**City of Louisville, Colorado**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	Fiscal Year			
	2008	2009	2010	2011
<b>Revenues</b>				
Taxes (see Schedule 5)	\$ 15,106,814	\$ 14,339,473	\$ 14,324,765	\$ 15,781,250
Licenses, fees, and permits	1,068,193	648,054	741,916	1,335,204
Intergovernmental	1,169,212	2,776,119	2,988,264	1,444,060
Charges for services	1,512,980	1,570,638	1,731,231	1,817,124
Fines and forfeits	186,993	239,895	264,006	235,246
Miscellaneous	1,266,937	748,691	719,792	506,154
Total Revenues	20,311,129	20,322,870	20,769,974	21,119,038
<b>Expenditures</b>				
General government	2,989,525	2,844,918	2,972,884	3,038,179
Police	3,867,488	3,945,723	3,940,528	4,108,953
Public works	2,602,796	2,774,586	1,874,229	1,873,727
Planning and building safety	777,449	755,699	757,086	722,348
Library and museum services	1,103,086	1,052,295	1,343,929	1,394,596
Parks and recreation	3,426,624	3,444,244	3,541,186	3,720,901
Non-capitalized budget-basis capital	20,702	1,275,958	370,620	(710,612)
Net capital outlay	4,468,855	5,030,412	4,290,082	3,762,430
Bond issuance costs	-	-	-	-
Debt service:				
Principal	670,000	690,000	710,000	730,000
Interest	297,847	281,465	262,291	241,621
Total Expenditures	20,224,372	22,095,300	20,062,835	18,882,143
Excess of revenues over/(under) expenditures	86,757	(1,772,430)	707,139	2,236,895
<b>Other Financing Sources (Uses)</b>				
Developer Contributions	-	-	-	-
Sale of fixed assets	-	389,934	-	-
Bond Proceeds	-	-	-	-
Refund of Prior Year Impact Fees				
Transfers in	1,983,933	1,480,140	298,287	887,870
Transfers out	(1,919,933)	(1,516,140)	(434,287)	(993,870)
Total other financing sources (uses)	64,000	353,934	(136,000)	(106,000)
Net change in fund balance	\$ 150,757	\$ (1,418,496)	\$ 571,139	\$ 2,130,895
Debt service as a percentage of noncapital expenditures	6%	6%	6%	6%

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ 17,263,911	\$ 18,932,366	\$ 19,993,142	\$ 21,366,109	\$ 23,525,357	\$ 25,712,064
1,960,400	2,048,937	1,559,270	2,543,167	3,022,262	2,157,688
2,285,745	1,396,933	2,106,687	2,724,897	3,761,617	1,852,349
1,850,102	1,849,629	1,853,787	1,911,923	2,118,401	2,101,946
228,212	223,608	250,633	186,429	216,085	210,719
462,477	525,964	573,269	715,732	713,118	2,216,779
24,050,847	24,977,437	26,336,788	29,448,257	33,356,840	34,251,545
3,176,196	3,313,222	3,699,717	4,108,467	5,231,446	5,954,152
4,276,707	4,419,408	4,646,953	4,489,317	4,719,015	4,872,387
1,974,790	2,073,155	2,474,100	2,153,768	2,164,982	2,311,041
1,025,080	907,443	864,280	1,088,832	1,034,491	1,299,734
1,450,203	1,499,791	1,616,093	1,722,929	1,725,600	1,850,154
3,817,938	3,954,617	4,504,585	4,920,439	5,251,441	5,202,260
34,395	578,252	(34,864)	1,313,792	(1,186,096)	609,581
5,208,206	5,873,602	8,861,021	11,101,751	14,205,413	13,875,610
		55,500		50,690	192,839
755,000	1,310,000	575,000	600,000	624,571	710,150
218,708	193,958	145,223	182,355	268,901	974,705
21,937,223	24,123,448	27,407,608	31,681,650	34,090,454	37,852,613
2,113,624	853,989	(1,070,820)	(2,233,393)	(733,614)	(3,601,068)
-	-	93,440	-	50,690	
-	-	-	1,434,270	198,884	8,550
-	-	750,000	-	3,750,000	29,061,241
5,165,074	1,403,663	8,122,666	2,322,182	2,594,694	1,070,867
(5,092,988)	(1,837,701)	(11,526,714)	(3,676,795)	(3,741,867)	(1,070,867)
72,086	(434,038)	(2,560,608)	79,657	2,852,401	29,069,791
\$ 2,185,710	\$ 419,951	\$ (3,631,428)	\$ (2,153,736)	\$ 2,118,787	\$ 25,468,723
6%	8%	4%	4%	5%	7%

**City of Louisville, Colorado**  
**Tax Revenues by Source, Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Use Tax</b>	<b>Franchise Tax</b>	<b>Lodging Tax</b>	<b>Other Tax</b>	<b>Total</b>
2008	2,845,816	9,417,834	1,159,510	1,142,519	369,019	172,116	15,106,814
2009	2,851,029	9,087,268	964,036	953,819	297,912	185,409	14,339,473
2010	2,994,253	8,800,525	1,049,104	998,022	304,674	178,187	14,324,765
2011	3,004,038	9,086,243	2,184,874	1,013,415	335,556	157,124	15,781,250
2012	2,950,576	9,747,679	3,012,454	994,447	365,883	192,872	17,263,911
2013	2,982,528	10,441,013	3,808,835	1,059,412	380,033	260,545	18,932,366
2014	3,187,825	11,230,542	3,740,268	1,123,485	428,075	282,947	19,993,142
2015	3,452,375	11,778,592	4,305,785	1,080,496	469,709	279,152	21,366,109
2016	4,089,516	12,592,051	4,996,965	1,057,233	500,223	289,369	23,525,357
2017	4,420,751	14,482,942	4,899,603	1,078,609	516,863	313,296	25,712,064
<b>Change 2008-2017</b>	55.34%	53.78%	322.56%	-5.59%	40.06%	82.03%	70.20%

**Schedule 6**

**City of Louisville, Colorado  
Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Assessed Commercial Property</b>	<b>Assessed Residential Property</b>	<b>Assessed Industrial Property</b>	<b>Assessed Other Property</b>	<b>Less: Assessed Tax-Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>
2008	137,287,590	183,113,180	90,622,040	15,843,260	46,629,180	426,866,070	6.710
2009	147,081,680	191,231,710	90,613,200	18,403,610	51,468,920	447,330,200	6.710
2010	153,880,580	192,462,080	77,368,280	23,055,020	51,467,670	446,765,960	6.710
2011	163,845,209	197,030,711	48,727,078	28,285,269	45,656,047	437,888,267	6.710
2012	166,579,015	199,473,825	47,537,853	28,717,654	48,176,664	442,308,347	6.710
2013	165,615,716	211,996,360	48,186,748	30,562,660	51,619,426	456,361,484	6.710
2014	163,263,008	217,114,340	53,458,675	34,867,435	53,347,944	468,703,458	6.710
2015	189,273,194	258,166,377	65,034,365	36,289,151	54,855,584	548,763,087	6.710
2016	189,105,856	261,504,441	69,479,393	37,279,159	57,899,775	557,368,849	6.710
2017	230,079,499	291,465,506	92,644,272	40,406,751	59,235,150	654,596,028	6.710

<b>Fiscal Year</b>	<b>Actual Commercial Property</b>	<b>Actual Residential Property</b>	<b>Actual Industrial Property</b>	<b>Actual Other Property</b>	<b>Less: Actual Tax-Exempt Property</b>	<b>Total Taxable Actual Value</b>
2008	473,403,050	2,300,345,600	312,489,200	54,629,800	175,040,095	3,140,867,650
2009	507,174,600	2,402,389,600	312,458,400	63,461,400	188,688,195	3,285,484,000
2010	530,619,400	2,417,846,000	266,786,300	79,500,300	188,611,395	3,294,752,000
2011	564,989,981	2,475,260,982	168,024,445	97,535,388	168,571,842	3,305,810,796
2012	574,414,786	2,505,953,508	163,923,627	99,026,401	177,038,426	3,343,318,322
2013	571,092,200	2,663,271,227	166,161,227	105,388,468	188,020,573	3,505,913,122
2014	562,976,293	2,727,567,402	184,340,240	120,232,525	195,862,054	3,595,116,460
2015	652,666,286	3,243,296,319	224,256,493	125,135,007	203,443,038	4,245,354,105
2016	652,089,749	3,285,231,645	239,584,060	128,548,805	213,568,192	4,305,454,259
2017	793,378,331	4,048,132,056	319,462,591	139,333,646	218,961,202	5,300,306,624

**Source:** Boulder County Assessor's Office

**City of Louisville, Colorado**  
**Property Tax Rates and Tax Levies**  
**Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

**Mill Levies**

Levy Year	Collection Year	City of Louisville			Boulder Valley Schools	Boulder County	Urban Drainage and Flood Control	Louisville Fire District	Northern Colorado Water	Total
		Operating	Debt Service	Total Direct						
2007	2008	5.184	1.526	6.710	37.865	22.467	0.507	6.686	1.000	75.235
2008	2009	5.184	1.526	6.710	39.113	23.067	0.528	6.686	1.000	77.104
2009	2010	5.184	1.526	6.710	39.999	23.667	0.508	6.686	1.000	78.570
2010	2011	5.184	1.526	6.710	43.838	24.645	0.523	6.686	1.000	83.402
2011	2012	5.184	1.526	6.710	44.843	24.645	0.566	6.686	1.000	84.450
2012	2013	5.184	1.526	6.710	45.547	24.645	0.599	6.686	1.000	85.187
2013	2014	5.184	1.526	6.710	45.372	25.120	0.608	6.686	1.000	85.496
2014	2015	5.184	1.526	6.710	47.569	24.794	0.632	6.686	1.000	87.391
2015	2016	5.184	1.526	6.710	45.814	22.624	0.553	6.686	1.000	83.387
2016	2017	5.184	1.526	6.710	48.961	24.064	0.559	6.686	1.000	87.980

**Tax Levies**

Levy Year	Collection Year	City of Louisville			Boulder Valley Schools	Boulder County	Urban Drainage and Flood Control	Louisville Fire District (1)	Northern Colorado Water	Total
		Operating	Debt Service	Total Direct						
2007	2008	2,194,163	645,890	2,840,053	150,815,108	124,745,065	1,993,702	2,930,608	5,062,766	289,033,192
2008	2009	2,211,265	650,924	2,862,189	156,938,470	129,119,905	2,100,059	2,950,539	5,416,619	300,038,705
2009	2010	2,315,673	681,658	2,997,331	167,976,116	137,564,655	2,124,166	3,109,216	5,347,290	319,800,432
2010	2011	2,316,565	681,921	2,998,486	183,864,077	142,564,068	2,176,881	3,106,029	5,322,753	340,714,215
2011	2012	2,266,442	667,166	2,933,608	183,588,532	138,085,156	2,304,199	3,054,993	5,164,277	335,797,931
2012	2013	2,288,932	673,787	2,962,719	186,936,602	139,022,459	2,445,639	3,083,219	5,173,950	340,298,375
2013	2014	2,353,928	692,919	3,046,847	190,187,744	144,037,143	2,532,520	3,166,281	5,273,967	348,937,421
2014	2015	2,406,098	708,276	3,114,374	201,551,784	143,254,180	2,665,833	3,221,553	5,346,845	359,862,845
2015	2016	2,810,931	827,446	3,638,377	233,241,682	155,177,134	2,799,968	3,757,815	6,364,089	405,806,511
2016	2017	2,840,602	836,180	3,676,782	249,079,970	165,014,873	2,825,361	3,798,581	6,370,318	431,602,065

**Notes:**

Overlapping tax rates and levies exclude CTC Metro District and Takoda Metro District

**Source:** Boulder County Assessor's Office (Summary of Levies)

**City of Louisville, Colorado**  
**Principal Property Tax Payers**  
**Current Year and Ten Years Ago**

<b>Taxpayer</b>	<b>Type of Business</b>	<b>2008 Assessed Valuation</b>	<b>Rank</b>	<b>Percentage of Total Assessed Valuation</b>
Sun Microsystems, Inc	Electronic Manufacturing	\$ 12,211,670	1	2.6%
Conoco Phillips Company	Energy Training and R&D Center	9,888,060	2	2.1%
MEPT Coal Creek Business Park	Office Park	7,647,250	3	1.6%
Neodata Services Inc.	Business Services	5,623,680	4	1.2%
Infinite Funding Company LLC	Business Services	4,579,680	5	1.0%
NEXCORE/RREEF Avista II LLC	Medical Offices	3,868,890	6	0.8%
Eagle Hardware & Garden Inc	Retail	2,853,920	7	0.6%
Piedra Properties LLP	Property Management	2,812,880	8	0.6%
Lexington Louisville LP	Unknown	2,804,910	9	0.6%
Westcore Vasona Centennial LLP	Commercial Real Estate	2,722,610	10	0.6%
	Totals	<u>\$ 55,013,550</u>		<u>11.6%</u>

<b>Taxpayer</b>	<b>Type of Business</b>	<b>2017 Assessed Valuation</b>	<b>Rank</b>	<b>Percentage of Total Assessed Valuation</b>
COLORADO TECHNOLOGY CENTER PORTFOLIO LLC	Technology	\$16,956,663	1	2.4%
PUBLIC SERVICE CO OF COLORADO	Energy	14,478,000	2	2.0%
TFG COAL CREEK PROPERTY LLC	Commercial Real Estate	10,504,134	3	1.5%
PHILLIPS 66 COMPANY	Energy Training and R&D Center	10,374,605	4	1.5%
CENTENNIAL OWNER LLC	Commercial Real Estate	7,132,202	5	1.0%
INFINITE DRIVE LLC	Commercial Real Estate	6,487,880	6	0.9%
RLJ II-C LOUISVILLE CO LLC	Unknown	6,035,335	7	0.8%
TKG LOUISVILLE COLORADO DEVELOPMENT LLC	Commercial Real Estate	5,756,645	8	0.8%
LEXINGTON LOUISVILLE L P	Commercial Real Estate	4,727,476	9	0.7%
VTR AVISTA MOB LLC	Medical Offices	4,147,000	10	0.6%
	Totals	<u>\$ 86,599,940</u>		<u>12.1%</u>

**Source:** Boulder County Assessor's Office

**City of Louisville, Colorado  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

Levy Year	Collection Year	Total Tax Levy	Total Current Tax Collections	Urban Revitalization District Current Tax Collections	City of Louisville Current Tax Collections	Ratio of Current Tax Collections to Total Tax Levy	City of Louisville Delinquent Tax Collections (1)	City of Louisville Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy
2007	2008	\$ 2,840,053	\$ 2,833,997	18,439	\$ 2,815,558	99.14%	\$ 11,819	\$ 2,827,377	99.55%
2008	2009	2,862,189	2,849,814	23,529	2,826,285	98.75%	1,215	2,827,500	98.79%
2009	2010	2,997,331	2,992,335	49,106	2,943,229	98.19%	1,918	2,945,147	98.26%
2010	2011	2,998,486	3,000,678	43,310	2,957,368	98.63%	3,360	2,960,728	98.74%
2011	2012	2,933,608	2,947,165	57,253	2,889,912	98.51%	3,411	2,893,323	98.63%
2012	2013	2,962,719	2,979,244	64,110	2,915,134	98.39%	3,284	2,918,418	98.50%
2013	2014	3,046,847	3,184,802	191,316	2,993,486	98.25%	3,023	2,996,509	98.35%
2014	2015	3,114,374	3,446,293	390,988	3,055,305	98.10%	6,082	3,061,387	98.30%
2015	2016	3,638,377	4,074,323	529,979	3,544,344	97.42%	15,193	3,559,537	97.83%
2016	2017	3,676,782	4,420,031	795,640	3,624,391	98.58%	720	3,625,111	98.59%

**Notes:**

(1) Delinquent taxes reported by collection year because they are not available by levy year





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**City of Louisville, Colorado**  
**Sales Taxes Collected by Category**  
**Last Ten Fiscal Years**

Category	Fiscal Year			
	2008	2009	2010	2011
Agriculture	\$ 14,692	\$ 15,483	\$ 12,386	\$ 13,074
Construction	23,760	9,991	15,463	12,491
Manufacturing	109,387	127,496	245,502	298,269
Trans/Comm/Utilities	1,611,432	1,398,287	1,436,159	1,421,166
Wholesale	165,215	107,963	119,230	152,813
Home Improvements Centers	1,163,491	1,112,998	1,142,131	1,148,411
General Merchandise	1,863,152	1,799,936	983,285	921,223
Grocery Stores	1,708,054	1,763,143	1,744,867	1,730,125
Automotive	90,709	47,134	49,000	53,055
Apparel/Accessory	21,067	37,480	36,736	53,918
Furniture	129,802	101,337	148,801	172,292
Food/Beverage	1,232,279	1,253,253	1,394,376	1,552,647
Miscellaneous	311,289	254,702	308,912	372,326
Financial/Insurance	238,279	304,251	278,138	311,410
Services	676,867	708,817	814,047	895,681
Total	<u>\$ 9,359,475</u>	<u>\$ 9,042,271</u>	<u>\$ 8,729,033</u>	<u>\$ 9,108,901</u>

**Schedule 10**

<b>Fiscal year</b>					
<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
\$ 14,889	\$ 41,447	\$ 48,617	\$ 50,162	\$ 56,291	\$ 60,988
16,189	47,163	56,161	70,909	124,420	32,411
437,847	306,078	310,406	224,249	288,159	761,684
1,390,636	1,432,477	1,503,040	1,423,508	1,521,106	1,482,100
163,738	172,867	271,459	286,022	255,073	290,646
1,292,138	1,457,538	1,413,014	1,437,736	1,572,172	1,719,927
835,033	901,844	938,333	986,553	960,576	1,149,950
1,837,916	2,068,412	2,359,905	2,786,992	2,973,998	3,195,006
60,459	65,273	74,218	51,583	63,394	70,895
61,782	68,029	75,105	86,156	100,095	111,505
196,291	227,122	235,225	288,810	298,700	288,334
1,709,567	1,862,344	1,981,287	2,108,628	2,287,270	2,438,032
560,135	472,182	651,849	625,400	660,645	540,800
215,114	267,178	278,582	332,522	373,260	389,265
958,919	1,024,827	996,453	1,213,327	1,296,971	1,420,146
<u>\$ 9,750,653</u>	<u>\$10,414,781</u>	<u>\$11,193,654</u>	<u>\$ 11,972,557</u>	<u>\$ 12,832,130</u>	<u>\$ 13,951,689</u>

**City of Louisville, Colorado**  
**Direct and Overlapping Sales Tax Rates**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>City of Louisville</b>	<b>County of Boulder</b>	<b>State of Colorado</b>	<b>Regional Transportation District</b>	<b>Cultural District</b>	<b>Football District</b>	<b>Total</b>
2008	3.375%	0.650%	2.90%	1.00%	0.10%	0.10%	8.125%
2009	3.500% (1)	0.650%	2.90%	1.00%	0.10%	0.10%	8.250%
2010	3.500%	0.650%	2.90%	1.00%	0.10%	0.10%	8.250%
2011	3.500%	0.800%	2.90%	1.00%	0.10%	0.10%	8.400%
2012	3.500%	0.800%	2.90%	1.00%	0.10%	0.00% (2)	8.300%
2013	3.500%	0.800%	2.90%	1.00%	0.10%	0.00%	8.300%
2014	3.500%	0.800%	2.90%	1.00%	0.10%	0.00%	8.300%
2015	3.500%	0.985% (3)	2.90%	1.00%	0.10%	0.00%	8.485%
2016	3.500%	0.985%	2.90%	1.00%	0.10%	0.00%	8.485%
2017	3.500%	0.985%	2.90%	1.00%	0.10%	0.00%	8.485%

**Notes:**

(1) City of Louisville sales tax rate includes voter approved Historic Preservation tax of 0.125% effective January 1, 2009

(2) The Football District tax expired January 1, 2012

(3) Flood Recovery Fund effective 1/1/15 - 12/31/19

**City of Louisville**  
**Sales Tax Revenue Payers by Industry**  
**Current Year and Nine Years Ago**

Taxpayer (1)	Fiscal Year 2008				Fiscal Year 2017			
	Number of Filers	Percent of Total	Sales Tax Revenue	Percent of Total	Number of Filers	Percent of Total	Sales Tax Revenue	Percent of Total
Agriculture	14	0.9%	\$ 14,692	0.2%	38	2.4%	\$ 60,988	0.4%
Construction	57	3.6%	23,760	0.3%	84	5.3%	32,411	0.2%
Manufacturing	118	7.4%	109,387	1.2%	267	16.8%	761,684	5.5%
Trans/Comm/Utilities	142	8.9%	1,611,432	17.2%	180	11.3%	1,482,100	10.6%
Wholesale	94	5.9%	165,215	1.8%	136	8.5%	290,646	2.1%
Home Improvements	55	3.5%	1,163,491	12.4%	235	14.8%	1,719,927	12.3%
General Merchandise	59	3.7%	1,863,152	19.9%	37	2.3%	1,149,950	8.2%
Grocery Stores	44	2.8%	1,708,054	18.2%	83	5.2%	3,195,006	22.9%
Automotive	9	0.6%	90,709	1.0%	5	0.3%	70,895	0.5%
Apparel/Accessory	20	1.3%	21,067	0.2%	73	4.6%	111,505	0.8%
Furniture	31	1.9%	129,802	1.4%	86	5.4%	288,334	2.1%
Eating/Drinking	76	4.8%	1,232,279	13.2%	122	7.7%	2,438,032	17.5%
Miscellaneous	241	15.1%	311,289	3.3%	300	18.8%	540,800	3.9%
Financial/Insurance	176	11.0%	238,279	2.5%	264	16.6%	389,265	2.8%
Services	457	28.7%	676,867	7.2%	770	48.3%	1,420,146	10.2%
Totals	1,593	100%	\$ 9,359,475	100%	2,680	100%	\$ 13,951,689	100%

**Notes:**

- (1) Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

**City of Louisville, Colorado**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities				Business-type Activities			
	General Obligation Bonds	Capital Leases	Sales Tax Refunding Revenue Bonds	URA Tax Increment Financing Bonds	General Obligation Bonds	Capital Leases	Water Bonds Payable	Windy Gap Lease Payments
2008	5,988,550		1,998,622	-	947,120		13,366,571	410,317
2009	5,681,980		1,621,899	-	722,840		12,285,300	375,653
2010	5,365,410		1,235,172	-	-		11,162,361	338,584
2011	5,038,840		838,449	-	-		9,984,422	298,951
2012	4,702,270		439,657	-	-		8,905,000	270,563
2013	3,825,700		-	-	-		8,355,000	222,437
2014	3,248,737		-	750,000	-		7,725,000	171,813
2015	2,646,190		-	750,000	-		7,035,000	118,469
2016	2,023,642	91,229	-	4,500,000	-	1,075,950	6,330,000	-
2017	30,301,712	86,079	-	4,500,000	-	1,021,239	5,605,000	-

**Notes:**

In 2015, the City incurred a new loan agreement with Colorado Water Resources & Power Development Authority  
In 2015 and 2016, the City entered into lease purchase financing agreements with Alpine Bank

<b>Business-type Activities</b>						
<b>Wastewater Revolving Loan</b>	<b>Stormwater Revolving Loan</b>	<b>Total Primary Government</b>	<b>Ratio of G.O. Bonds to Actual Property Value</b>	<b>Net G.O. Bonds Per Capita</b>	<b>Ratio of Total Debt Per Capita</b>	<b>Ratio of Total Debt to Total Personal Income</b>
-	-	22,711,180	0.22	380	1,243	2.50
-	-	20,687,672	0.19	351	1,134	2.42
-	-	18,101,527	0.16	292	985	1.99
-	-	16,160,662	0.15	271	870	1.68
-	-	14,317,490	0.14	248	755	1.39
-	-	12,403,137	0.11	197	638	1.14
-	-	11,895,550	0.09	163	598	1.01
26,697,966	5,468,258	42,715,883	0.06	131	2,118	3.38
25,950,202	5,315,102	45,286,125	0.05	98	2,194	3.44
25,193,292	5,160,071	71,867,393	0.57	N/A	N/A	N/A

**City of Louisville, Colorado**  
**Computation of Direct and Overlapping Bonded Debt**  
**As of December 31, 2017**

<u>Jurisdiction (1)</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Louisville (2)</u>	<u>Amount Applicable to Louisville</u>
Direct:			
City of Louisville	<u>\$ 30,301,712</u>	100.00%	<u>\$ 30,301,712</u>
Overlapping:			
Boulder Valley School District No. RE-2	703,570,000	9.61%	67,601,989
Colorado Tech Center Metropolitan District	6,870,000	100.00%	6,870,000
Northern Colorado Water Conservancy District	3,607,098	3.64%	131,416
Takoda Metro District	10,070,000	100.00%	10,070,000
Subtotal Overlapping Debt	<u>724,117,098</u>		<u>84,673,404</u>
Total direct and overlapping debt	<u><u>\$ 754,418,810</u></u>		<u><u>\$ 114,975,116</u></u>

**Notes:**

- (1) The following entities also overlap the City but have no general obligation debt outstanding:  
Louisville Fire District, Boulder County, Urban Drainage and Flood Control District and Urban Revitaliz
- (2) Percentage Applicable to Louisville is Louisville's total assessed valuation as a percentage of the jurisdiction's total assessed valuation.

**Sources:** Individual taxing entities





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**City of Louisville, Colorado**  
**Computation of Legal Debt Margin**  
**Last Ten Fiscal Years**

	<b>Fiscal Year</b>				
	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Total estimated actual value	3,140,867,650	3,285,484,000	3,294,752,000	3,305,810,796	3,363,669,938
Debt limit: 3% of actual value	94,226,030	98,564,520	98,842,560	99,174,324	100,910,098
Total net amount of debt applicable to debt limit	6,935,670	6,404,820	5,365,410	5,038,840	4,702,270
Legal debt margin	87,290,360	92,159,700	93,477,150	94,135,484	96,207,828
Total net debt applicable to the limit as a percentage of debt limit	7.36%	6.50%	5.43%	5.08%	4.66%

**Schedule 15**

<b>Fiscal Year</b>				
<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
3,569,232,380	3,659,860,273	4,308,600,376	4,368,015,411	5,367,852,321
107,076,971	109,795,808	129,258,011	131,040,462	161,035,570
3,825,700	3,248,737	2,646,190	2,023,642	30,301,712
103,251,271	106,547,071	126,611,821	129,016,820	130,733,858
3.57%	2.96%	2.05%	1.54%	18.82%

**City of Louisville, Colorado  
Pledged Revenue Coverage  
Last Ten Fiscal Years**

Fiscal Year	Water Revenue Bonds							Total Debt Service	Coverage
	Operating Utility	Tap	Gross	Less:	Net	Debt Service			
	Revenue (1)	Fees	Utility	Operating	Available	Principal	Interest		
	Revenue (2)	Expenses (3)	Revenue	Expenses					
2008	7,605,396	1,221,729	8,827,125	4,125,973	4,701,152	1,073,167	584,204	1,657,371	2.84
2009	6,103,529	492,695	6,596,224	4,254,750	2,341,474	1,122,469	516,902	1,639,371	1.43
2010	6,256,347	461,473	6,717,820	4,181,847	2,535,973	1,166,542	470,095	1,636,637	1.55
2011	6,744,604	2,089,806	8,834,410	4,480,936	4,353,474	1,224,105	415,786	1,639,891	2.65
2012	8,138,286	4,082,601	12,220,887	4,645,172	7,575,715	1,169,385	364,256	1,533,641	4.94
2013 (4)	7,244,072	4,582,766	11,826,838	5,101,043	6,725,795	663,125	321,244	984,369	6.83
2014	7,729,463	2,750,563	10,480,026	5,130,470	5,349,556	680,625	251,655	932,280	5.74
2015 (5)	8,376,493	3,180,505	11,556,998	5,068,689	6,488,309	933,344	641,813	1,575,157	4.12
2016	10,026,149	8,466,452	18,492,601	5,568,648	12,923,953	1,626,045	830,479	2,456,524	5.26
2017	10,544,806	5,478,254	16,023,060	5,574,288	10,448,772	1,599,316	806,250	2,405,566	4.34

**Notes:**

(1) Operating Utility Revenue = all operating revenue, interest earnings, and proceeds from asset sales

(2) Gross Utility Revenue = Operating Utility Revenue plus Tap Fees.

(3) Operating Expenses = total operating expenses exclusive of depreciation.

(4) The final payment on the 1992 Water Resources and Power Development Authority Note occurred in 2012.

(5) Loan agreement with Colorado Water Resources & Power Development Authority occurred in 2015.

**City of Louisville, Colorado  
Principal Employers  
Current Year and Nine Years Ago**

<b>2008</b>			
<b>Company</b>	<b>Estimated Number of Employees (1)</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Avista Adventist Hospital	600	1	5.18%
Balfour Senior care	300	5	2.59%
City of Louisville	326	3	2.82%
Transfirst	510	2	4.41%
Gaiam	234	8	2.02%
Global Health	235	7	2.03%
Inovonics	180	9	1.55%
Lockheed Martin Coherent Tech	305	4	2.63%
Medtronic	250	6	2.16%
Sam's Club	140	10	1.21%
<b>2017</b>			
<b>Company</b>	<b>Estimated Number of Employees (1)</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Avista Adventist Hospital	688	1	4.6%
Balfour Senior Living	549	2	3.7%
Fresca Foods	439	3	2.9%
City of Louisville	347	4	2.3%
Design Mechanical	290	5	1.9%
Medtronic	261	6	1.7%
Global Health Exchange	256	7	1.7%
Centennial Peaks Hospital	233	8	1.6%
Westcon Group	223	9	1.5%
Sierra Nevada Space Corp	202	10	1.3%

**Notes:**

(1) Represents full-time, part-time and temporary employees.

**City of Louisville, Colorado**  
**Demographic and Economic Statistics,**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Personal Income (thousands of dollars)</b>	<b>Per Capita Personal Income (2)</b>	<b>Median Age (1)</b>	<b>School Enrollment (3)</b>	<b>Unemployment Rate (4)</b>
2008	18,271	908,635	49,731	35.1	28,373	4.1
2009	18,248	855,375	46,875	35.5	28,861	6.8
2010	18,376	909,851	49,513	35.9	29,206	6.9
2011	18,565	961,240	51,777	36.3	29,433	6.3
2012	18,964	1,031,186	54,376	36.6	29,572	5.9
2013	19,455	1,085,200	55,780	36.9	30,134	5.2
2014	19,898	1,179,872	59,296	37.3	30,665	3.7
2015	20,167	1,264,168	62,685	37.6	30,951	2.9
2016	20,643	1,315,104	63,707	37.8	30,921	2.2
2017	N/A	N/A	N/A	38.0	31,129	2.6

**Notes:**

(1) Colorado Department of Local Affairs - State Demography Office. 2010 population reflects U.S. Census results. Population estimates are for the City of Louisville; Median Age estimates are for Boulder County. Population estimates not available for 2016 at the time of schedule preparation.

(2) U.S. Department of Commerce, Bureau of Economic Analysis for Boulder County Metropolitan Statistical Area. Per Capital Personal Income not available for 2015 at the time of schedule preparation.

(3) Boulder Valley School District Enrollment Count.

(4) Bureau of Labor Statistics for Boulder County.

**City of Louisville, Colorado**  
**Full-time/FTE City Government Employees by Function<sup>(1)</sup>**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (1)
<b>Function/Program:</b>										
General government	25	29	25	24	25	26	26	29	31	39
Public safety	38	38	38	36	37	38	37	32	37	43
Public works	45	45	43	41	44	41	40	45	45	50
Culture and recreation (2)	34	34	31	30	30	35	41	47	46	102
Development and redevelopment	1	1	1	1	1	1	1	1	1	1
<b>Total</b>	<b>143</b>	<b>147</b>	<b>138</b>	<b>132</b>	<b>137</b>	<b>141</b>	<b>145</b>	<b>154</b>	<b>160</b>	<b>235</b>

(1) Amounts for 2008-2016 are full-time employee counts; Amounts for 2017 are full-time equivalents (FTEs)

(2) Golf Course staffed by City employees commencing in 2015

**City of Louisville, Colorado**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	Fiscal Year					
	2008	2009	2010	2011	2012	2013
General government						
Building permits issued	919	1,059	1,140	1,098	1,281	1,205
Building inspections concluded	4,249	4,119	4,333	4,996	7,412	7,212
Police						
Physical arrests	343	275	245	252	285	341
Parking violations	178	223	239	163	159	217
Traffic violations	1,407	1,931	2,184	1,510	1,557	1,350
Other public works						
Street sweeping - miles per year	3,842	2,063	2,517	2,687	2,733	2,234
Potholes repaired	1,384	1,500	2,654	1,615	1,614	1,434
Snow and Ice - miles per year cleared	7,060	19,336	11,254	17,299	10,191	15,262
Square feet of buildings to maintain	146,496	146,496	146,496	146,496	146,496	148,933
Parks and recreation						
Attendance	230,832	236,832	236,945	236,923	268,385	270,980
Athletic field permits issued	25	21	20	20	26	26
Library						
Volumes in collection	80,785	82,236	85,050	105,451	95,213	88,885
Water						
New connections	18	20	16	72	107	40
Water main breaks	6	9	8	12	6	7
Average daily consumption	3,775,740	3,207,000	3,168,000	3,334,358	3,772,187	3,100,000
Peak daily consumption	9,518,000	6,792,000	7,025,000	7,522,000	8,159,000	7,500,000
Wastewater						
Average daily sewage treatment	1.7 MGD	1.794 MGD	1.773 MGD	1.670 MGD	1.80 MGD	1.70 MGD

**Source:** Internally tracked departmental statistics



## Schedule 20

2014	2015	2016	2017
1,249	1,332	1,513	1,653
7,557	7,650	9,941	9,439
238	169	304	363
315	417	526	1,024
1,548	2,061	3,051	2,869
1,853	3,316	3,058	2,619
1,686	3,168	1,115	1,851
12,532	15,422	9,924	8,829
155,033	186,700	187,800	187,800
278,603	286,966	271,478	277,774
29	31	33	30
86,814	90,842	90,521	86,891
87	58	84	75
10	6	10	12
3,130,000	3,003,000	2,950,000	3,235,682
7,900,000	7,087,000	6,756,000	7,777,000
1.83 MGD	1.96 MGD	1.79 MGD	1.65 MGD

**City of Louisville, Colorado**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	17	17	17	17	17	17	17	18	18	19
Public Works										
Streets and Highways (miles)	86	87	87	87	87	87	88	88	88	88
Parks and recreation										
Parks Acreage	178.11	178.11	178.11	310	310	306	306	306	353	353
Acres of Open space owned by the City and jointly	2000	2000	2000	1768	1768	1755	1800	1800	1800	1920
Playgrounds	13	13	13	14	14	14	14	14	14	14
Baseball/softball diamonds	11	11	11	11	11	11	11	11	11	11
Soccer/football fields	14	14	14	14	14	11	11	11	11	11
Community centers	2	2	2	2	2	2	2	2	2	2
Water										
Water mains (miles) (1)	127	127	127	123	123	125	122	122	118	119
Storage capacity	8 MGD	8 MGD	8 MGD	8 MGD	8.5 MGD	8.5 MGD	8.5 MGD	8.5 MGD	8.5 MGD	8.5 MGD
Treatment capacity	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD
Wastewater										
Sanitary sewers (miles) (1)	87	87	91	89	89	89	88	88	88	88
Storm sewers (miles) (1)	51	51	51	40	40	40	41	41	39	39
Treatment capacity (thousand of gallons)	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	2.5 MGD

**Notes:**

(1) Beginning in 2011 amounts reported only include public miles

**Source:** Internally tracked departmental statistics



## **Compliance Section**

The public report burden for this information collection is estimated to average 380 hours annually.

<b>LOCAL HIGHWAY FINANCE REPORT</b>	City or County:
	YEAR ENDING : December 2017
This Information From The Records Of (example - City of _ or County of ) Prepared By: Phone:	

**I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

**II. RECEIPTS FOR ROAD AND STREET PURPOSES****III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	5,577,205
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,067,539
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations	4,865,343	b. Snow and ice removal	161,661
3. Other local imposts (from page 2)	3,282,886	c. Other	
4. Miscellaneous local receipts (from page 2)	214,750	d. Total (a. through c.)	161,661
5. Transfers from toll facilities		4. General administration & miscellaneous	684,026
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1,830,200
a. Bonds - Original Issues		6. Total (1 through 5)	9,320,631
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	8,362,979	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government</b>		2. Notes:	
(from page 2)	778,571	a. Interest	
<b>D. Receipts from Federal Government</b>		b. Redemption	
(from page 2)	179,081	c. Total (a. + b.)	0
<b>E. Total receipts (A.7 + B + C + D)</b>	9,320,631	3. Total (1.c + 2.c)	0
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	9,320,631

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>				0
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>				0

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		9,320,631	9,320,631		(0)

Notes and Comments:

<b>LOCAL HIGHWAY FINANCE REPORT</b>		STATE: Colorado YEAR ENDING (mm/yy): December 2017	
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
<b>ITEM</b>	<b>AMOUNT</b>	<b>ITEM</b>	<b>AMOUNT</b>
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	2,800,682	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	164,682
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	269,508	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	212,696	g. Other Misc. Receipts	50,068
6. Total (1. through 5.)	482,204	h. Other	
c. Total (a. + b.)	3,282,886	i. Total (a. through h.)	214,750
	(Carry forward to page 1)		(Carry forward to page 1)
<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
<b>ITEM</b>	<b>AMOUNT</b>	<b>ITEM</b>	<b>AMOUNT</b>
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	632,812	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	73,100	d. Federal Transit Admin	
d. Other (Specify) - CDOT/Pub Saf	72,659	e. U.S. Corps of Engineers	
e. Other (Specify)	0	f. Other Federal	179,081
f. Total (a. through e.)	145,759	g. Total (a. through f.)	179,081
4. Total (1. + 2. + 3.f)	778,571	3. Total (1. + 2.g)	
			(Carry forward to page 1)
<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs	58,259		58,259
b. Engineering Costs			0
c. Construction:			
(1). New Facilities	0		0
(2). Capacity Improvements	2,024,301		2,024,301
(3). System Preservation	3,271,517		3,271,517
(4). System Enhancement & Operation	223,128		223,128
(5). Total Construction (1) + (2) + (3) + (4)	5,518,946	0	5,518,946
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	5,577,205	0	5,577,205
			(Carry forward to page 1)
<b>Notes and Comments:</b>			



June 1, 2018

To the Honorable Mayor and Members of the City Council  
City of Louisville, Colorado

We have audited the financial statements of the City of Louisville (the City) as of and for the year ended December 31, 2017, and have issued our report thereon dated June 1, 2018. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated October 3, 2017 our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City of Louisville solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

# Qualitative Aspects of the Entity’s Significant Accounting Practices

## Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City of Louisville is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2017. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

## Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management’s current judgments. The City’s financial statements do not include any significant estimates.

## Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City’s financial statements relate to:

The disclosure of Commitments in Note 10; and Tax, spending, and debt limitations in Note 13.

## Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit.

The following summarizes uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and each applicable opinion unit.

## Governmental Activities

Net Position	\$225,840	
Construction in progress		\$225,840
<i>To write off construction in progress for an asset not owned by the City.</i>		

## **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of the audit.

## **Representations Requested from Management**

We have requested certain written representations from management that are included in the management representation letter dated June 1, 2018.

## **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

## **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.

## **Other Information in Documents Containing Audited Financial Statements**

Pursuant to professional standards, our responsibility as auditors for other information included in the City's Comprehensive Annual Financial Report (CAFR) does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the information and considered whether such information, and the manner of its presentation, was materially inconsistent with its presentation in the financial statements. Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the Honorable Mayor and Members of the City Council and management of the City of Louisville, Colorado and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Fort Collins, Colorado



**SUBJECT: ENTERPRISE DASHBOARDS**

**DATE: JULY 16, 2018**

**PRESENTED BY: VARIOUS**

**SUMMARY:**

Attached are Enterprise Dashboards received from the Golf Course and the Recreation Center.

**LOUISVILLE RECREATION / SENIOR CENTER**  
**January to June 2018**

RECREATION & SENIOR CENTER USE AND REVENUE	2018	2017	VARIANCE \$	VARIANCE %	2018 EXPENSE
<b>Total Daily Admissions</b>	141,469	143,488	(2,019)	-1%	
Annual/Monthly Pass Admissions	110,596	109,779	817	1%	
Punch Pass Admissions	23,262	23,975	(713)	-3%	
Daily Admissions	7,611	9,734	(2,123)	-22%	
<b>Admission Revenue</b>					
Membership Revenue	\$ 276,311	\$ 299,512	\$ (23,201)	-8%	
Punch Pass Revenue	\$ 87,417	\$ 84,937	\$ 2,480	3%	
Daily User Fee Revenue	\$ 31,773	\$ 45,280	\$ (13,507)	-30%	
<b>Total Admission Revenue</b>	<b>\$ 395,501</b>	<b>\$ 429,729</b>	<b>\$ (34,228)</b>	<b>-8%</b>	
<b>Other Revenue</b>					
Childcare	\$ 4,388	\$ 5,343	\$ (955)	-18%	
Facility Rentals	\$ 8,991	\$ 8,710	\$ 281	3%	
Rec Center Concession	\$ 2,540	\$ 4,308	\$ (1,768)	-41%	
Pro Shop Sales	\$ 559	\$ 561	\$ (2)	0%	
Tax	\$ 583	\$ 610	\$ (27)	-4%	
Park Rentals	\$ 23,038	\$ 22,205	\$ 833	4%	
<b>Total Other Revenue</b>	<b>\$ 40,099</b>	<b>\$ 41,737</b>	<b>\$ (1,638)</b>	<b>-4%</b>	
<b>TOTAL ADMISSION AND OTHER REVENUE</b>	<b>\$ 435,600</b>	<b>\$ 471,466</b>	<b>\$ (35,866)</b>	<b>-8%</b>	
<b>RECREATION PROGRAM REVENUE:</b>					
Recreation Center Swim Lessons	\$ 36,893	\$ 54,025	\$ (17,132)	-32%	\$ 225,146.00 General Aquatics
Private Swim Lessons	\$ 10,445	\$ 22,280	\$ (11,835)	-53%	
Aquatics Red Cross	\$ 838	\$ 387	\$ 451	117%	
Aquatics Contractors	\$ 10,735	\$ 10,114	\$ 621	6%	
Memory Square Lessons	\$ 1,090	\$ 460	\$ 630	137%	\$ 50,959.00 General Memory Square
Memory Square Admission	\$ 5,388	\$ 7,722	\$ (2,334)	-30%	
Swim Teams	\$ 1,050	\$ 5,080	\$ (4,030)	-79%	
<b>Aquatics Total Revenue</b>	<b>\$ 66,439</b>	<b>\$ 100,068</b>	<b>\$ (33,629)</b>	<b>-34%</b>	<b>\$276,105 Aquatics Total Expenses</b>
Youth Activities	\$ 155,674	\$ 161,668	\$ (5,994)	-4%	\$ 131,314.00 General Youth Activities
Youth Activities Contractors	\$ 18,282	\$ 21,185	\$ (2,903)	-14%	\$ 48,683.00 Nite At The Rec
Youth Activities Red Cross	\$ -	\$ -	\$ -		
Youth Sports	\$ 49,113	\$ 48,726	\$ 387	1%	\$ 98,980.00 General Youth Sports
Youth Sports Contractors	\$ 18,365	\$ 15,775	\$ 2,590	16%	
Nites	\$ 22,223	\$ 29,151	\$ (6,928)	-24%	
<b>Youth Services Total Revenue</b>	<b>\$ 263,657</b>	<b>\$ 276,505</b>	<b>\$ (12,848)</b>	<b>-5%</b>	<b>\$278,977 Youth Services Total Expenses</b>
Adult Sports	\$ 14,037	\$ 18,543	\$ (4,506)	-24%	\$ 7,589.65 General Adult Sports
Adult Activities	\$ 35,137	\$ 52,267	\$ (17,130)	-33%	\$ 19,139.00 General Fitness
Fitness Contractors	\$ 27,208	\$ 28,164	\$ (956)	-3%	
Fitness Red Cross	\$ 54	\$ 297	\$ (243)	-82%	
<b>Adult Services Total Revenue</b>	<b>\$ 76,436</b>	<b>\$ 99,271</b>	<b>\$ (22,835)</b>	<b>-23%</b>	<b>\$26,729 Adult Services Total Expenses</b>
Senior Fees	\$ 42,680	\$ 41,607	\$ 1,073	3%	\$ 138,567.00 General Seniors
Senior Grants/Contributions	\$ 3,055	\$ 2,606	\$ 449	17%	
Senior Contractors	\$ 5,962	\$ 6,240	\$ (278)	-4%	
County Reimbursement	\$ 13,040	\$ 32,558	\$ (19,518)	-60%	
Meal Site	\$ 14,974	\$ 8,605	\$ 6,369	74%	\$ 61,241.00 General Senior Meals
<b>Senior Services Total Revenue</b>	<b>\$ 79,711</b>	<b>\$ 91,616</b>	<b>\$ (11,905)</b>	<b>-13%</b>	<b>\$199,808 Senior Services Total Expenses</b>
<b>TOTAL RECREATION PROGRAM REVENUE</b>	<b>\$ 486,243</b>	<b>\$ 567,460</b>	<b>\$ (81,217)</b>	<b>-14%</b>	<b>\$ 213,237.00 REC CENTER MANAGEMENT</b> <b>\$ 163,176.00 REC CENTER BLDG MAINTENANCE</b> <b>\$ 7,365.00 MEMORY SQUARE BLDG MAINT</b> <b>\$ 65,653.00 ATHLETIC FIELD MAINTENANCE</b>
<b>TOTAL REC &amp; SENIOR CENTER REVENUE</b>	<b>\$ 921,843</b>	<b>\$ 1,038,926</b>	<b>\$ (117,083)</b>	<b>-11%</b>	<b>\$1,231,050 TOTAL EXPENSES</b>
					<b>\$ (309,207) TOTAL NET REVENUE (EXPENSE)</b>

**SUBJECT: DISCUSSION OF FINANCIAL POLICIES**

**DATE: JULY 16, 2018**

**PRESENTED BY: KEVIN WATSON, FINANCE DIRECTOR**

**SUMMARY:**

The City of Louisville's initial Fiscal Policies were adopted in 1984 and were updated intermittently until 1997. In 2015, staff updated and modernized the policies. Staff worked closely with the Finance Committee and on December 15, 2015, the City Council formally approved the new Financial Policies by Resolution 92, Series 2015.

The policies include an Introduction section and the following policy sections:

1. General Policies
2. Reserve Policies
3. Debt Policies
4. Revenue Policies
5. Operating Budget Policies
6. Investment Policies
7. Capital Asset Management Policies
8. Accounting, Auditing, and Financial Reporting Policies

The process for developing the policies included a review of Government Finance Officers Association's (GFOA's) Best Practices and other GFOA literature on each subject matter. It also included a review of GFOA's sample policies in each area, which included reviews of actual policies from various counties and municipalities throughout the country. Staff attempted to include all relevant policy elements deemed "recommended best practices" by the GFOA.

Prior to Council adoption, the Debt Policies were reviewed by the City's Financial Advisor and the Investment Policies were reviewed by the City's Investment Advisor. Standard and Poor's also reviewed the City's Financial Policies during their rating review of the 2017 Recreation Center General Obligation Bond issue and responded with very positive comments.

Future policy sections under consideration include long-term financial planning, internal controls, risk management, and an update to the current procurement policy.

Attached to this communication are copies of the current Financial Policies as adopted on December 15, 2015. Below is a brief summary of some of the policy elements within each policy section.

**Introduction**

- Contains a list of definitions related to all policy sections.

**General Policies**

- Requires a set of financial indicators to be calculated and disclosed in the City's budget documents.

**Reserve Policies**

- Defines both minimum and targeted reserve levels for the General Fund and the Open Space & Parks Fund.
- Defines minimum reserve levels for the Cemetery Fund, which receives an ongoing subsidy transfer from the General Fund, and the three Enterprise Funds that comprise the Combined Utility Fund.

**Debt Policies**

- Discusses factors which may favor "pay-as-you-go" financing and those that may favor "pay-as-you-use" financing.
- Discusses and recommends general debt financing structures and methods of sale.
- Does not apply to debt issued by the Urban Revitalization District.

**Revenue Policies**

- States that the City will value diversification, stabilization, and equity within its revenue structure.
- Formalizes the desire to fund all recurring expenditures with recurring revenue and that non-recurring revenue should be used to fund only non-recurring, one-time expenditures.
- Sets broad guidelines for setting user fees and charges.
- Allows setting fees for children's recreational programs and senior services at levels below the full cost of providing those services.
- Allows setting fees for non-residents at a higher level than those for residents.

**Operating Budget Policies**

- Defines the City's "budgetary basis" of accounting.
- Formalizes the City's legal level of budgetary control at the fund level. In other words, expenditures do not legally exceed appropriations until they do so at the fund level, as opposed to at the department or line item level. Therefore, budget amendments are not legally necessary until appropriations at the fund level are being exceeded.

**SUBJECT: DISCUSSION OF FINANCIAL POLICIES****DATE: JULY 16, 2018****PAGE 3 OF 4**

- Defines “balanced budget” and states the City’s intent to also have a *structurally* balance budget.
- Requires a Capital Improvement Plan and a Long-Term Financial Plan to be presented at the time of budget development.

**Investment Policies**

- These are the same policies (just reformatted) that were approved by Council in 2012. No changes were made on December 15, 2015.
- Sets safety, liquidity, and yield objectives.
- Defines legal investments.
- Defines standards of care and performance.

**Capital Asset Management Policies**

- Broadly defines the Five-Year Capital Improvement Plan (C-I-P) process.
- Defines and requires a “balanced” C-I-P.
- States the City’s intent to preserve existing infrastructure before allocating resources to new capital projects.

**Accounting, Auditing, and Financial Reporting Policies**

- Officially designates the City’s Finance Committee as the City’s Audit Committee.
- Discusses the City’s internal control structure and the COSO framework.
- Sets the City’s capitalization threshold.
- Grants authorization to the Finance Committee, City Manager, and Finance Director regarding “write-offs” of bad debt.

**POSSIBLE AMENDMENTS****Reserve Policy for Open Space & Parks Fund**

Staff recommends changes to the Reserve Policies, Section 2.2. At a Special Council Meeting on October 10, 2017, City Council discussed the need for the Open Space & Parks Fund to receive recurring transfers from the General Fund to help fund its ongoing operations and its capital improvements plan. Council directed that this recurring transfer, beginning in 2018, be calculated using the following formula:

*The 2007 amount funded by the General Fund for Parks Administration & Operations inflated to 2018 using the Consumer Price Index (CPI), All Urban Consumers, Not Seasonally Adjusted, for the Denver, Boulder, and Greeley area.*

The intent is this recurring transfer will be recalculated annually and will keep the Open Space & Parks Fund reserves in compliance with the adopted policy on *minimum* fund balance. The Council also discussed changing the *targeted* fund balance, but did not reach a consensus at the October 10, 2017 meeting. Staff recommends that

consideration be given to removing the *targeted* fund balance policy for the Open Space & Parks Fund.

### **Charges for Services**

The Finance Committee has been discussing possible changes to Revenue Policies Sections 4.6, 4.7, and 4.8, which state:

- 4.6 User Fees and Services Charges.** *The City will periodically recalculate the full cost of providing services in order to provide a basis for setting the associated user fee or service charge. Full cost shall incorporate direct and indirect costs, including operations (with City labor costs), maintenance, overhead, debt service, equipment, and capital charges. The intent of this policy is to set fees at a level that is related to the actual cost of producing the good or service. The City will also periodically examine and compare rates from other cities providing similar services. It is recognized that competing policy objectives may result in user fee levels that recover only a portion of the costs.*
- 4.7 Fees for Children's Recreational Services and Senior Programs.** *The City may set fees for children's recreational programs and senior services at levels below the full cost of providing those services.*
- 4.8 Fees for Non-Resident City Services.** *Non-residents may be required to pay higher fees than residents for City services.*

Specifically, the Committee is recommending the implementation of an annual fee inflator to be applied to miscellaneous fees and charges. This inflator would be based on the annual increase in the cost of providing services. The inflator would not be applied to rates and fees that have their own independent reviews and calculations, such as utility user fees.

Possible language that might be added to Section 4.6, "...An annual fee inflator may be used in lieu of an annual full cost calculation for certain fees..."

### **Renewal and Replacement Reserves for City Facilities**

The Finance Committee is also considering some renewal and replacement reserve scenarios for the Recreation Center and the Golf Course. Implementation of the renewal and replacement methodology will eventually lead to amendments of the Reserve Policies.

### **Recreation Center and Memory Square Fund**

Related to the discussion on the renewal and replacement reserves, the Finance Committee is also recommending a separate fund to account for the revenues, expenditures, and reserves of the Recreation Center and Memory Square Pool. Staff is recommending a Special Revenue fund type. This change would require a reserve policy and a General Fund subsidy transfer policy, similar to the Open Space & Parks Fund.

### **Introduction**

The City of Louisville is an organization charged with providing a wide range of services that are supported by a wide range of revenue sources. The City's Financial Policies have been established to guide the City in providing these services in the most efficient way possible within the bounds of available revenue.

Financial policies are central to a strategic, long-term approach to financial management and are intended to serve as a blueprint to achieve the financial stability required to accomplish the City's goals and objectives. More specifically, the intent of adopting a written set of financial policies is to institutionalize good financial management, clarify strategic intent for financial management, define certain boundaries and limits on actions that staff may take, support good bond ratings, promote long-term and strategic thinking, manage risks to financial condition, and comply with established best practices in public management.

The City's Financial Policies have been written in relatively broad terms as guidelines for financial management decisions. These policies should not be confused with administrative statements of operating procedure, which cover the detailed steps needed to accomplish business processes.

The City's Financial Policies shall be adopted by resolution of the City Council. The policies shall be reviewed annually by management and any modifications made thereto must also be approved by resolution of the City Council.

### **Definitions**

- *Advanced Refunding* – a refunding in which the outstanding bonds are callable and remain outstanding for a period of more than 90 days after the issuance of the refunding bonds. Proceeds from the sale of the refunding bonds are used to purchase permissible legal securities, which are deposited into an escrow account.
- *Agencies* – federal agency securities and/or Government-sponsored enterprises.
- *Arbitrage* – the difference between the interest paid on the tax-exempt securities and the interest earned by investing the proceeds in higher-yielding taxable securities. The Internal Revenue Service regulates arbitrage on the proceeds from the issuance of municipal securities.
- *Bankers' Acceptance* – a draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.
- *Broker* – brings buyers and sellers together for a commission.

- *Capital Budget* – the first year of the Five-Year Capital Improvement Plan. These amounts are automatically included in the annual budget process.
- *Capital Improvement Plan (C-I-P)* – a plan that describes the capital projects and associated funding sources the City intends to undertake in the next fiscal year plus four additional future years.
- *Collateral* – Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies (Public Deposit Protection Act; CRS 11-10.5-101 et seq.)
- *Current Refunding* – a refunding in which the outstanding bonds are retired within 90 days after the new bonds are sold.
- *Competitive Bond Sale* – bonds are marketed to a wide audience of investment banking (underwriter) firms. Sealed bids are submitted at a specific date and time and the underwriter is selected based on its bid for the City's securities.
- *Dealer* – as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.
- *Delivery-versus-Payment* – delivery of securities with an exchange of money for the securities. *Delivery-versus-receipt* is delivery of securities with an exchange of a signed receipt for the securities.
- *Full Accrual Basis of Accounting* – under this basis of accounting, revenue is recognized when earned and expenses are recognized when the liability is incurred.
- *Fund* – An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources, together with all related liabilities, obligations, reserves, and equities, which are segregated for the purpose of carrying out specific activities or attaining certain objectives.
- *Fund Balance* – the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources in a governmental fund.
  - *Non-spendable Fund Balance* – fund balance that is inherently non-spendable, such as the long-term portion of loans receivable, the principal of an endowment, and inventories.
  - *Restricted Fund Balance* – fund balance that has externally enforceable limitations on its use, imposed by parties such as creditors, grantors, or laws and regulations of other governments.
  - *Committed Fund Balance* – fund balance with limitations imposed by the government itself at its highest level of decision making. For example, for the City of Louisville, this would be limitations imposed on fund balance by the Council through an ordinance or resolution.



- *Assigned Fund Balance* – fund balance that is earmarked for an intended use at either the highest level of decision making or by a body or an official designated for that purpose.
- *Unassigned Fund Balance* – all fund balances that are left after considering the other four categories. Use is the least restricted in this category of fund balance.
- *Unrestricted Fund Balance* – a category of fund balance that comprises committed fund balance, assigned fund balance, and unassigned fund balance. Unrestricted fund balance is, therefore, unconstrained or the constraints are self-imposed, so they could be lifted in order to make fund balances available for other purposes.
- *General Fund Operating Expenditures* – as used in the financial indicators, this term refers to total General Fund expenditures, less non-recurring interfund transfers-out.
- *General Fund Operating Revenue* – as used in the financial indicators, this term refers to total General Fund revenue, less other financing sources (such as sales of assets) and interfund transfers-in.
- *General Fund Recurring Expenditures* – as used in the financial indicators, this term refers to total General Fund expenditures, less non-recurring interfund transfers-out.
- *General Fund Recurring Revenue* – as used in the financial indicators, this term refers to total General Fund revenue, less non-recurring building-related revenue, non-recurring and non-operational grants, other financing sources, and interfund transfers-in.
- *General Fund Sales Tax Revenue* – as used in the financial indicators, this term refers to total sales tax revenue less any sales tax rebates due to Business Assistance Packages.
- *General Obligation Bonds* – bonds backed by the “full faith and credit” of the City. Bondholders have the authority to compel the City to use its taxing power, or to use other revenue sources, to generate the revenue necessary to repay the bonds. General obligation bonds are subject to the City’s debt limitation and voter approval is required.
- *Liquidity* – refers to the ease in which an asset can be converted into cash without a substantial loss of value.
- *Modified Accrual Basis of Accounting* – under this basis of accounting, revenue is recognized when it become both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized when they are expected to draw on current spendable resources.
- *Negotiated Bond Sale* – the City selects the underwriter in advance of the bond sale. The Financial Advisor and City staff work with the underwriter to bring the issue to the market and negotiate all rates and terms of the sale.

- *Open Space & Parks Fund Targeted Fund Balance* – as used in the financial indicators, this term refers to 15% of current operating expenditures plus an amount sufficient to cover the City's share of the total projected cost of acquiring the three highest priority candidate open space properties
- *Private Bond Placement* – the City sells its bonds to a limited number of sophisticated investors, and not the general public.
- *Program* – A set of activities, operations, or organizational units designed and directed to accomplish specific service outcomes or objectives for a defined customer.
- *Refunding* – refinancing an outstanding bond issue by issuing new bonds.
- *Revenue Bonds* – bonds secured by revenue generated by user fees or by other non-ad valorem revenue sources typically generated by the project being financed. Only the specific revenue source is pledged for the bond repayment. No taxing power or General fund pledge is provided as security. Revenue bonds are not subject to the City's debt limitation and voter approval is not required.
- *TABOR* – the Taxpayer Bill of Rights amendment to the Colorado Constitution and other Colorado law and court decisions.
- *Treasuries* – securities issued by the U.S. Treasury to finance the national debt. Treasury Bills are non-interest bearing discount securities that mature in one year or less. Treasury Notes are coupon bearing securities having initial maturities of two to ten years. Treasury Bonds are coupon-bearing securities having initial maturities of more than ten years.
- *Underwriter* – a dealer that purchases new issues of municipal securities from the issuer and resells them to investors. The difference between the price at which the bonds are bought and the price at which they are offered to investors is the underwriter's discount.
- *Utility Fund Budgetary Basis Expenses* – as used in the financial indicators, this term refers all expenses under the City's budgetary basis of accounting, less capital outlay and interfund transfers-out.
- *Working Capital* – current assets less current liabilities. Used as a measure of *reserves* in proprietary funds. Proprietary funds, unlike governmental funds, report both capital assets and long-term debt, even though neither is directly relevant to near-term financing. Therefore, the difference between proprietary fund assets and liabilities (net position) is not equivalent to the fund balance reported in governmental funds, and is not a useful indicator of *reserves*.
- *Yield* – the rate of annual income return on an investment, expressed as a percentage. Income yield is obtained by dividing the current dollar income by the current market price for the security. Net yield or yield to maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

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## General Policies

Policy Section: 1  
Adopted by Resolution No. 92, Series 2015  
Effective Date: December 15, 2015

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### Purpose and Scope

General Policies are financial policies that are not easily categorized under any of the other policy sections. Among other things, these policies will direct management to calculate specific information about the City of Louisville's current fiscal condition, past and future trends, as well as providing guidelines for making fiscal decisions and assuring that the City continues to pursue a financially prudent course.

### Policies

- 1.1 **Financial Indicators.** The City of Louisville shall annually calculate and publish financial indicators consistent with those listed in Appendix "A". All indicators shall be calculated as of year-end and published each year in the budget document, along with the previous year's indicators for up to ten years. Any indicator that shows a warning trend when compared to prior years shall be more closely analyzed for reasons why a change has occurred.

**City of Louisville, Colorado**  
**Financial Policies**  
**General Policy 1.1**  
**Appendix A - Financial Indicators**

Category	Description	Formula	Warning Trend
Revenue:			
	General Fund Revenue Per Capita	$\frac{\text{General Fund Operating Revenue}}{\text{Population}}$	Decrease
	General Fund Intergovernmental Revenue	$\frac{\text{General Fund Intergovernmental Revenue}}{\text{General Fund Operating Revenue}}$	Increase
	General Fund Sales Tax	$\frac{\text{General Fund Sales Tax Revenue}}{\text{General Fund Operating Revenue}}$	Decrease
	General Fund Property Tax	$\frac{\text{General Fund Property Tax Revenue}}{\text{General Fund Operating Revenue}}$	Decrease
	General Fund Actual Revenue vs. Budget	$\frac{\text{General Fund Actual Revenue}}{\text{General Fund Budgeted Revenue}}$	Decrease
Expenditures:			
	General Fund Expenditures Per Capita	$\frac{\text{General Fund Operating Expenditures}}{\text{Population}}$	Increase
	General Fund Expenditures vs. Budget	$\frac{\text{General Fund Actual Expenditures}}{\text{General Fund Budgeted Expenditures}}$	Increase
	City-Wide Employees Per Capita	$\frac{\text{City-Wide Employees (FTE's)}}{\text{Population}}$	Increase
	City-Wide Employee Benefit Cost	$\frac{\text{City-Wide Employee Benefits Cost}}{\text{City-Wide Employee Wages Cost}}$	Increase
Operating Position:			
	General Fund Operational Surplus/(Deficit)	$\frac{\text{General Fund Recurring Revenue}}{\text{General Fund Recurring Expenditures}}$	Decrease
	General Fund Operating Margin	$\frac{\text{General Fund Operational Surplus/(Deficit)}}{\text{General Fund Recurring Revenue}}$	Decrease
	General Fund Reserves	$\frac{\text{General Fund Unrestricted Fund Balance}}{\text{General Fund Operating Expenditures}}$	Decrease
	Open Space & Parks Fund Reserves	$\frac{\text{Open Space \& Parks Fund Total Fund Balance}}{\text{Open Space \& Parks Fund Targeted Fund Balance}}$	Decrease
	Water Utility Fund Working Capital	$\frac{\text{Water Utility Fund Working Capital}}{\text{Water Utility Fund Budgetary Basis Expenses}}$	Decrease

(continued)

City of Louisville, Colorado  
Financial Policies  
General Policy 1.1  
Appendix A - Financial Indicators  
(continued)

Category	Description	Formula	Warning Trend
Operating Position: (continued)			
	Wastewater Utility Fund Working Capital	$\frac{\text{Wastewater Utility Fund Working Capital}}{\text{Wastewater Utility Fund Budgetary Basis Expenses}}$	Decrease
	Storm Water Utility Fund Working Capital	$\frac{\text{Storm Water Utility Fund Working Capital}}{\text{Storm Water Utility Fund Budgetary Basis Expenses}}$	Decrease
	Combined Utility Fund Debt Burden	$\frac{\text{Total Combined Utility Fund Revenue}}{\text{Total Combined Utility Fund Debt Service}}$	Decrease
	Combined Utility Fund Net Position	$\frac{\text{Combined Utility Fund Current Year Net Position}}{\text{Combined Utility Fund Prior Year Net Position}}$	Decrease
	City-Wide Cash & Investments	$\frac{\text{City-Wide Unrestricted Cash \& Investments}}{\text{City-Wide Current Liabilities}}$	Decrease
	City-Wide Net Position	$\frac{\text{City-Wide Current Year Net Position}}{\text{City-Wide Prior Year Net Position}}$	Decrease
	City Wide Accumulated Depreciation	$\frac{\text{City Wide Accumulated Depreciation}}{\text{City-Wide Depreciable Assets}}$	Increase
	City-Wide Debt Per Capita	$\frac{\text{City-Wide Total Debt}}{\text{Population}}$	Increase

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**Reserve Policies****Policy Section: 2****Adopted by Resolution No. 92, Series 2015****Effective Date: December 15, 2015**

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**Purpose and Scope**

The City of Louisville desires to maintain an appropriate level of financial resources to guard its citizens against service disruption in the event of unexpected revenue shortfalls or unanticipated one-time expenditures. This policy is also intended to document the appropriate reserve levels to protect the City's credit worthiness and maintain its good standing with bond rating agencies.

Reserves are accumulated and maintained to provide stability and flexibility to respond to unexpected adversity and/or opportunities. This policy establishes the reserve amounts the City will strive to maintain in its General Fund and its other major operating funds. This policy also stipulates the conditions under which those reserves may be used and how the reserves will be replenished if they fall below established reserve amounts.

The City will measure its compliance with this policy as of December 31<sup>st</sup> of each year, as soon as practical after final year-end information is audited and becomes available.

**Policies**

- 2.1 **General Fund Reserves.** The minimum unrestricted fund balance of the General Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy, operating expenditures are defined as all expenditures less any interfund transfers to other funds, regardless of whether the transfers are considered recurring or non-recurring.

While the minimum unrestricted fund balance is set at 15% of current operating expenditures, the targeted unrestricted fund balance will be at or above 20% of current operating expenditures. This higher target is in recognition of:

- the General Fund's reliance on revenue sources that are subject to fluctuations (sales and use taxes);
- the General Fund's exposure to unexpected and significant one-time expenditure outlays (transfers to the Capital Projects Fund, mid-year changes to operations, disasters, etc.); and
- the potential drain on General Fund resources from other funds (recurring support transfers to the Open Space & Parks Fund and the Cemetery Fund).

The use of General Fund reserves will be limited to addressing unanticipated, non-recurring needs. Reserves shall not normally be used for recurring annual operating expenditures.

However, reserves may be used to provide the City time to restructure operations (as might be required in an economic downturn), but such use will only take place in the context of a long-term financial plan. Use of reserves below the 20% target requires authorization from City Council.

In the event reserves are used resulting in an unrestricted fund balance below the 15% minimum, a plan will be developed to replenish the reserves as quickly as reasonably possible and presented as part of a long-term financial plan. Methods of replenishing fund balance may include the use of non-recurring revenue, year-end surpluses, and, if legally permissible, excess resources from other funds.

- 2.2 Open Space & Parks Fund Reserves.** The entire fund balance for the Open Space and Parks Fund is restricted by voters for acquisition, development, and operation of open space, trails, wildlife habitats, wetlands, and parks.

The minimum fund balance of the Open Space and Parks Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy, operating expenditures include only open space and parks operations and exclude all interfund transfers and capital outlay.

The targeted fund balance of the Open Space and Parks Fund will include the minimum fund balance *plus* an amount sufficient to cover the City's share (considering other likely joint partners) of the total projected cost of acquiring the three highest priority candidate open space properties. As the highest priority properties are purchased, this amount will be adjusted.

Use of reserves below the targeted amount requires authorization from City Council. In the event reserves are used to acquire open space property resulting in a fund balance below the targeted amount, a plan will be developed to replenish the reserves as quickly as reasonably possible and presented as part of a long-term financial plan. Methods of replenishing fund balance may include transfers from other funds, securing loans from other agencies to jointly purchase property, seeking approval of bonds to finance property acquisition, and/or delaying/reducing expenditures for development, construction, operation, and maintenance of open space zones, trails, wildlife habitats, wetlands, and parks.

- 2.3 Cemetery Fund Reserves.** The minimum unrestricted fund balance of the Cemetery Fund shall be maintained at or above 15% of current operating expenditures. For purpose of this policy, operating expenditures are defined as all expenditures, excluding interfund transfers and capital outlay.

The Cemetery Fund requires a recurring annual transfer from the General Fund to fund its operational deficit. This transfer will be adjusted on an annual basis to ensure that the unrestricted fund balance of the Cemetery Fund is maintained at or above 15% of current operating expenditures.

- 2.4 Combined Utility Fund Reserves.** The Water, Wastewater, and Storm Water Utility Funds are enterprise funds and, therefore, the measure of reserves is based on levels of working capital rather than on levels of fund balance. It is important to maintain adequate levels of working capital in these funds to mitigate risks and to ensure a stable fee structure and service level.

The minimum working capital for the Water, Wastewater, and Storm Water Utility Funds shall be maintained at or above 25% of current operating expenses, as measured on the City's budgetary basis. For purpose of this policy, operating expenses are defined as all budgetary-basis expenses, excluding interfund transfers and capital outlay.



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**Debt Policies****Policy Section: 3****Adopted by Resolution No. 92, Series 2015****Effective Date: December 15, 2015**

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**Purpose and Scope**

To enhance creditworthiness and engage in prudent financial management, the City of Louisville is committed to systematic capital planning and long-term financial planning. Maintaining the City's bond rating is an important objective and, to this end, the City is continually working to improve its financial policies, budgets, forecasts, and financial health.

These policies establish criteria for the issuance of debt obligations by the City so that acceptable levels of indebtedness are maintained. The objectives of these policies are to ensure that the City obtains debt financing only when necessary, that the process for identifying the timing and amount of debt financing be as efficient as possible, that the most favorable interest rates and related issuance costs are obtained, and that future financial flexibility remains relatively unconstrained.

Debt financing includes general obligation bonds, revenue bonds, notes payable to the Colorado Water Resources & Power Development Authority, leases, and any other City obligations permitted to be issued or incurred under Colorado law, the City's Municipal Code, and the City's Charter.

This policy does not apply to the Urban Revitalization District, a legally separate entity, but a component unit of the City for financial reporting purposes.

**Policies**

- 3.1 Use of Debt Financing.** Although the City will normally finance projects on a cash basis (pay-as-you-go), the City may decide that the most equitable way of financing a project is through debt financing (pay-as-you-use).

Factors which may favor *pay-as-you-go* financing include circumstances where:

- the project can be adequately funded from available current revenue and reserves;
- the project can be completed in an acceptable timeframe given the available resources;
- additional debt levels could adversely affect the City's credit rating or repayment sources; or
- market conditions are unstable or are not conducive to marketing debt.

Factors which may favor *pay-as-you-use* financing include circumstances where:

- current revenue or reserves are insufficient to pay project costs;
- a project is immediately required;
- revenue available for debt issues are considered sufficient and reliable so that long-term financing can be marketed with an appropriate credit rating, which can be maintained;
- market conditions present favorable interest rates and demand for municipal debt financing; or
- the useful life of the project or asset is five years or greater.

The City will not use long-term debt to finance any recurring purpose such as current operations. Debt financing will be used only for capital improvement projects and large equipment purchases. Debt payments shall not extend beyond the estimated useful life of the project or the equipment being financed.

- 3.2 **Limitations and Constraints on Debt Financing.** Per Article 12, Section 12-1, of the City of Louisville Charter, the total amount of the City's indebtedness shall not at any time exceed three (3) percent of the actual value, as determined by the County Assessor, of taxable property within the City, except such debt as may be incurred by supplying water.

Per Article 12, Section 12-3, of the City of Louisville Charter, any lease-purchase agreement, except for the acquisition of water rights, entered into by the City shall be approved by the City Council by non-emergency ordinance.

Per the Taxpayer Bill of Rights (TABOR) amendment to the Colorado Constitution, all multiple-year debt shall first be approved by the City's taxpaying electorate unless it is issued for a TABOR-defined government enterprise, refinances bonded debt at a lower interest rate, or sufficient cash reserves are pledged irrevocably for future payments. The City's TABOR-defined enterprises include the Water Utility Fund, the Wastewater Utility Fund, the Storm Water Utility Fund, and the Golf Course Fund. Operating leases, lease-purchases, and certificates of participation (COP's) that are subject to annual appropriation are not considered multiple-year debt and are not subject to TABOR election requirements.

- 3.3 **Structure of Debt Financing.** City debt will be structured to achieve the lowest possible net interest cost given market conditions, the urgency of the capital project, and the nature and type of any security provided. City debt will be structured in ways that will minimize impacts on future financing flexibility. To the extent possible, repayment of debt shall be structured to rapidly recapture credit capacity for future use.

City debt will be amortized for the shortest period consistent with a fair allocation of cost to current and future beneficiaries of the project being financed, and in keeping with other related provisions of this policy. The City shall normally issue general obligation bonds or revenue bonds with a maximum life of twenty years or less.

The City will normally seek to amortize general obligation bonds and revenue bonds with level payments (principal plus interest) over the life of the issue. Pushing higher debt service costs to future years will only be considered under special circumstances. The City will also avoid repayment schedules that consist of low annual payments and a large payment of the balance due at the end of the term. There shall always be at least one interest payment in the first fiscal year after a bond sale. Principal repayment shall start no later than the second year after the bond issue.

Call provisions for bond issues shall be made as short as possible, consistent with the lowest interest cost to the City. Unless specific compelling reasons exist, all bonds shall be callable only at par.

Credit enhancements may be used if the costs of such enhancements are lower than the reduction in net debt service payments or if they provide other significant financial benefits to the City.

- 3.4 **Bond Counsel.** The City will retain an external bond counsel through a competitive process administered by the Finance Department and the City Attorney's Office. All debt issues of the City will include a written opinion by bond counsel on the validity of the bond offering, the security for the offering, and whether and to what extent interest on the bonds is exempt from income and other taxation.
- 3.5 **Financial Advisor.** The City will retain an external financial advisor through a competitive process administered by the Finance Department. For each debt issuance, the financial advisor will provide the City with information and recommendations on all aspects of the issuance, including market opportunities, method of sale, structure, term, pricing, and fees.
- 3.6 **Method of Sale.** As a matter of general policy, the City shall seek to issue its general and revenue bond obligations with a competitive sale process unless it is determined by the City's Financial Advisor and Finance Director that such a method will not produce the best results for the City. Other methods of sale that may be authorized by the Financial Advisor and Finance Director are a negotiated sales process and a private placement process.

Conditions that may favor a negotiated sale process are:

- The bond issue is, or contains, a refinancing that is dependent on market timing;
- At the time of the issuance, the interest rate environment or economic factors that affect the bond issue are volatile;
- The nature of the debt is unique and requires particular skills from the underwriter; or
- The debt issuance is bound by a compressed timeline due to extenuating circumstances that prevent a competitive process from being accomplished.

Whenever a negotiated sale process is determined to be in the best interests of the City, the City will use a competitive process to select its investment banking team.

In such instances where the City, through competitive bidding, deems the bids as unsatisfactory, or does not receive bids, it may, at the election of the Finance Director, immediately enter into a negotiated sale process or private placement process.

- 3.7 **Refunding of Debt.** Periodic reviews of all outstanding debts will be undertaken by the Finance Director and Financial Advisor to determine refunding opportunities. Refundings will be considered (within legal constraints) if and when there is a net economic benefit of the refunding, or if the refunding is essential in order to amend covenants to enhance operations and management. As a general rule, refundings will only be considered if the present value savings (net of all costs) of a particular refunding will exceed five percent (5%) of the refunded principal.

- 3.8 **Arbitrage Liability Management.** It is the City's policy to minimize the cost of arbitrage rebate and yield restriction while strictly complying with the law. The City will not issue obligations except for identifiable projects with very good prospects of timely initiation. Because of the complexity of the arbitrage rebate regulations and the severity of non-compliance penalties, the City will use the services of Bond Counsel and other arbitrage compliance experts when determining arbitrage liability, reporting, and exemptions.
- 3.9 **Financial Disclosure.** The City is committed to full and complete financial disclosure and to cooperating fully with rating agencies, institutional and individual investors, other levels of government, and the general public to share clear, comprehensible, accurate, and timely financial information. Continuing disclosure requirements under Rule 15c2-12 issued by the Securities and Exchange Commission (SEC) may apply to certain debt transactions of the City. The City will comply with all such Federal or other State reporting requirements on a timely basis. The City is committed to meeting continuing disclosure requirements of the national information repositories.

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**Revenue Policies****Policy Section: 4****Adopted by Resolution No. 92, Series 2015****Effective Date: December 15, 2015**

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**Purpose and Scope**

The City of Louisville collects revenue from various sources, the largest of which are from sales and use taxes, utility fees, property taxes, and intergovernmental revenue. The structure, equity, fluctuation, and collection of revenue are important for financial stability and are reviewed by bond rating agencies to determine the City's credit quality.

**Policies**

- 4.1 **Diversification and Stabilization.** The City will strive to maintain a diversified and stable revenue system to reduce the overall effects of fluctuations in any one revenue source.
- 4.2 **Equity.** Revenue will be derived from a fair, equitable, and adequate resource base, while minimizing tax differential burdens. Services having a City-wide benefit shall be financed with revenue sources generated from a broad base, such as sales taxes and property taxes. Services where the customer determines the use shall be fully or partially financed with user fees and charges related to the level of service provided.
- 4.3 **Collections.** The City will monitor all taxes, fees, and charges to make sure they are equitably administered and collections are timely and accurate. The City will pursue collection of delinquent amounts (including related penalties and interest) as authorized by the Louisville Municipal Code.
- 4.4 **Recurring and Non-recurring Revenue.** The City's objective is to fund all recurring expenditures with recurring revenue. Non-recurring, one-time revenue should be used to fund only non-recurring, one-time expenditures. The preferred use of non-recurring revenue is to invest in projects that will result in long-term operational cost savings.
- 4.5 **Intergovernmental Revenue.** The City will pursue intergovernmental aid, including grants, for those programs and activities that address a recognized need and are consistent with the City's goals and objectives, and will attempt to recover all allowable costs associated with those programs. The City will avoid using grants for ongoing service delivery needs. Any decision to pursue intergovernmental aid should only be made after consideration of the present and future funding requirements, costs of administering the funds, costs associated with special conditions or regulations attached to the aid, and ongoing operational costs after the aid period.

- 4.6 **User Fees and Services Charges.** The City will periodically recalculate the full cost of providing services in order to provide a basis for setting the associated user fee or service charge. Full cost shall incorporate direct and indirect costs, including operations (with City labor costs), maintenance, overhead, debt service, equipment, and capital charges. The intent of this policy is to set fees at a level that is related to the actual cost of producing the good or service. The City will also periodically examine and compare rates from other cities providing similar services. It is recognized that competing policy objectives may result in user fee levels that recover only a portion of the costs.
- 4.7 **Fees for Children's Recreational Services and Senior Programs.** The City may set fees for children's recreational programs and senior services at levels below the full cost of providing those services.
- 4.8 **Fees for Non-Resident City Services.** Non-residents may be required to pay higher fees than residents for City services.

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**Operating Budget  
Policies**

**Policy Section: 5**  
**Adopted by Resolution No. 92, Series 2015**  
**Effective Date: December 15, 2015**

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**Purpose and Scope**

The formulation of the annual operating budget, including the publication of the budget document, is one of the most important financial activities that the City of Louisville undertakes each year. The budget process provides a comprehensive plan to deliver efficient services to residents and stakeholders of the City in a manner that aligns resources with the policies, goals, mission, and vision of the City. This policy is intended to provide guidelines to assist in the formulation of financial discussion and the broader implications of financial decisions. This policy shall apply to all funds with an adopted budget.

**Policies**

- 5.1 **Budgetary Basis of Accounting.** The “basis of accounting” is a term used to describe the timing of revenue and expenditure recognition. In other words, when the effects of transactions or events should be recognized. In governmental accounting, the basis of accounting used for financial reporting purposes, as required by generally accepted accounting principles (GAAP), is not required for use in preparing a budget document. Under GAAP, governmental funds are required to utilize a modified accrual basis of accounting and proprietary funds (enterprise and internal service) are required to utilize a full accrual basis of accounting for financial reporting purposes. The City of Louisville’s *budgetary* basis of accounting is a modified accrual basis for *all* fund types, including proprietary funds. Some of the differences between the City’s budgetary basis of accounting and the GAAP basis of accounting for proprietary fund types are:

- *Issuance of debt* – budgeted as a revenue item, adjusted at year-end to a liability for financial reporting purposes.
- *Principal payment on debt* – budgeted as an expense item, adjusted at year-end to a reduction in the liability for financial reporting purposes.
- *Capital acquisition* – budgeted as an expense item, adjusted at year-end to an asset acquisition for financial reporting purposes.
- *Depreciation* – not recognized for budgeting purposes, recorded at year-end as an expense for financial reporting purposes.

- 5.2 **Level of Budgetary Control.** The level of budgetary control is the level at which spending cannot exceed the budgeted amount without City Council authorization. The level of control is also the level of detail the City Council approves in the appropriation resolution. The City's current level of budgetary control is at the fund level. However, department management is responsible for administering their respective programs within the financial constraints described by the budget as adopted.

Article 11, Section 11-6 of the City of Louisville Charter states, *"During the fiscal year, no officer or employee shall expend or contract to expend any money, or incur any liability, or enter into any contract which, by its terms, involves the expenditure of money in excess of the amounts appropriated by the City Council. Any contract, verbal or written, made in violation of this subsection shall be void, and no moneys of the City shall be paid on such contract; except that the City Council may ratify such a contract if it determines that ratification would be in the best interest of the City, and if it adopts a resolution making the necessary appropriation."*

- 5.3 **Balanced Budget.** The City's definition of a balance budget requires each fund's revenue plus appropriated fund balance/working capital to be equal to, or greater than, each fund's total appropriations. However, it is the City's intent to go further and develop *structurally* balanced budgets for the General Fund and the other major operating funds (excluding capital project funds). In a structurally balanced budget, annual recurring revenue will be projected to equal or exceed annual recurring expenditures for each fund. If a structural imbalance (recurring expenditures exceeding recurring revenue) should occur in the General Fund or in any of the major operating funds, a plan will be developed and implemented to bring the budget back into structural balance.
- 5.4 **Budget Form.** Article 11, Section 11-2 of the City of Louisville Charter states, *"The proposed budget shall provide a complete financial plan for the City in a format acceptable to the City Council. Except as otherwise provided by this Charter, the proposed budget shall be prepared in accordance with State statutes establishing the local government budget law and the local government uniform accounting law."*
- 5.5 **Capital Improvement Plan (C-I-P).** A Five-Year Capital Improvement Plan will be presented to the City Council for consideration during the budget development process. The annual capital budget will be based on the first year of the approved C-I-P.
- 5.6 **Long-Term Financial Plan (LTFP).** Five-year financial forecasts for each of the City's major operating funds will be presented to the City Council for consideration during budget development. The LTFP will coordinate the C-I-P with the operating budget and will provide insight into potential future financial imbalances so that action can be taken before a crisis occurs.
- 5.7 **Budget Amendment.** The City Council may amend or supplement the budget by resolution at any time after its initial adoption. A public hearing is required.
- 5.8 **Budget Control System.** The City will develop and maintain a budgetary control system to help it adhere to the budget. All departments are part of the budget control system and will have access to individual department reports that compare budget-to-actual financial performance. The Finance Department will report City-wide budget-to-actual performance on a monthly basis for both revenue and expenditures to the City Finance Committee.



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**Investment Policies****Policy Section: 6****Adopted by Resolution No. 92, Series 2015****Effective Date: December 15, 2015**

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**Purpose and Scope**

It is the policy of the City of Louisville to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands and conforming to all Colorado Revised Statutes, the City of Louisville Charter, and the City of Louisville Municipal Code.

The provisions of this investment policy shall apply to all funds held in the custody of the City and all of its offices. Except for cash in certain restricted and special funds, the City shall consolidate, or “pool”, cash and investment balances from all funds to maximize investment earnings and to increase efficiencies with regards to investment pricing, safekeeping, and administration. The investment income derived from the pooled cash and investment accounts shall be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

**Policies**

6.1 **Objectives.** In order of priority, the primary objectives of investment activities shall be safety, liquidity, and yield:

- *Safety.* Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio through the mitigation of credit risk and interest rate risk.
- *Liquidity.* The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This shall be accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio shall consist largely of securities with active secondary or resale markets. In addition, a portion of the portfolio may be placed in local government investment pools (LGIPs) which offer same-day, constant dollar liquidity for short-term funds.
- *Yield.* The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary

importance compared to the safety and liquidity objectives described above. Securities generally shall be held to maturity with the following exceptions:

- A security with a declining credit may be sold early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration of the portfolio.
- Liquidity needs of the portfolio require the security to be sold.

- 6.2 **Delegation of Authority.** The Finance Director shall be the designated investment officer of the City and shall be responsible for all investment decisions and activities, under the direction of the City Manager. The Finance Director shall establish investment policy procedures for the operation of the investment program consistent with this policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director.

The Finance Director may delegate the authority to conduct investment transactions and manage the operation of the investment portfolio to one or more subordinates and/or an external registered investment advisor who shall act in accordance with established procedures on internal controls and in compliance with this investment policy.

- 6.4 **Legal Investments.** All investments shall be made in accordance with Colorado Revised Statutes (CRS) as follows: CRS 11-10.5-101, et seq., Public Deposit Protection Act; CRS 24-75-601, et seq., Funds - Legal Investments for Government Units; CRS 24-75-603, et seq., Depositories; CRS 24-75-701 and 702, et seq., Local Governments - Local Government Pooling and that the investment or deposit meets the standard established in section CRS 15-1-304. Any revisions or extensions of these sections of the CRS will be assumed to be part of this Investment Policy immediately upon enactment.

To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the settlement date or in accordance with state and local statutes and ordinance. Pursuant to CRS Section 24-75-601.1(1), as amended from time to time, and subject to the limitations set forth therein, the securities listed herein shall be eligible for investment of public funds by the City. In the event of a conflict between CRS 24-75-601.1(1) and this policy, other than this policy being more restrictive than CRS 24-75-601(1), CRS 24-75-601.1(1) shall control. Nothing herein shall preclude the City from adopting a policy to permit securities other than those listed in CRS 24-75-601.1(1) for investment of public funds.

CRS 24-75-601(1) and this policy authorize the following investments:

- Any security issued by, fully guaranteed by, or for which the full credit of the United States Treasury is pledged for payment; allowing for inflation indexed securities. The period from the date of settlement of this type of security to the maturity date shall be no more than five years, unless the City Council authorizes investment for a period in excess of five years.
- Any security issued by, fully guaranteed by, or for which the full credit of the following is pledged for payment: The Federal Farm Credit Bank, A Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, The Federal National Mortgage Association, the Government National Mortgage Association, or an entity or organization that is not

listed in this paragraph but that is created by, or the creation of which is authorized by, legislation enacted by the United States Congress and that is subject to control by the federal government that is at least as extensive as that which governs an entity or organization listed in this paragraph. The period from the date of settlement of this type of security to its maturity date shall be no more than three years. Any entity or organization listed in this paragraph may represent up to but not more than 35% of the investment portfolio. The total of the above mentioned entities or organizations and inclusive of corporate or bank securities cannot represent more than 95% of the investment portfolio.

- Any security that is a general or revenue obligation of any state of the United States, the District of Columbia, or any territorial possession of the United States or of any political subdivision, institution, department, agency, instrumentality, or authority of any of such governmental entities. The period from the date of settlement of this type of security to the maturity date shall be no more than three years.
- Any interest in a local government investment pool pursuant to CRS 24-75-701, et seq.
- Any guaranteed investment contract (GIC) if at the time the contract or agreement is entered into, the long-term credit rating, financial obligations rating, claims paying ability rating, or financial strength rating of the party, or of the guarantor of the party, with whom the public entity enters the contract or agreement is, at the time of issuance, rated in one of the two highest rating categories by two or more nationally recognized securities rating agencies that regularly issue such ratings. Contracts or agreements purchased under this paragraph shall not have a maturity period greater than three years.
- Any dollar-denominated corporate or bank security issued by a corporation or bank that has a maturity of less than three years from the date of settlement and, at the time of purchase, must carry at least two credit ratings from any of the nationally recognized credit rating agencies and must not be rated below "AA– or Aa3" by any credit rating agency. The aggregate value of all securities referred to in this paragraph shall equal no more than 25% of the total portfolio.
- Money market instruments, such as commercial paper or bankers' acceptance, must carry at least two credit ratings from any of the nationally recognized credit rating agencies and must not be rated below "A1, P1, or F1" by any credit rating agency.
- Any money market fund that is registered as an investment company under the federal "Investment Company Act of 1940", as amended, at the time the investing public entity invests in such fund. The money market fund must: 1) have no commission fee on the charged on purchases or sales of shares; 2) have a constant daily net asset value per share of \$1.00; 3) limit assets of the fund to U.S. Treasury Securities; 4) have a maximum stated maturity and weighted average maturity in accordance with Federal Securities Regulation 270-2A-7; and 5) have a rating at the time of purchase of at least AAAM by Standard & Poor's or Aaa/MRI+ Moody's
- The purchase of any repurchase agreement of marketable securities referred to in the preceding paragraphs. A Master Repurchase Agreement must be executed with the bank or dealer. The securities must be delivered to the City's custodian or to a third-party custodian or third-party trustee for safekeeping on behalf of the City. The title to or

a perfected security interest in such securities along with any necessary transfer documents must be transferred to the City or the City's custodian. The collateral securities of the repurchase agreement must be collateralized at no less than one hundred two percent and marked to market no less frequently than weekly. Collateralization is required per the Public Deposit Protection Act, CRS 11-10.5-101 et seq. The securities subject to the repurchase agreement may have a maturity in excess of five years. The repurchase agreement itself may not have a maturity of more than five years from the date of settlement unless the City Council authorizes investment for a period in excess of five years.

- Certificates of deposit in state or national banks or in state or federally chartered savings banks, which are state-approved depositories per CRS Section 24-75-603, et seq. (as evidenced by a certificate issued by the State Banking Board) and are insured by the FDIC. Certificates of deposit, which exceed the FDIC insured amount, shall be collateralized in accordance with the Colorado Public Deposit Protection Act. Certificates of deposit must comply with CRS Section 30-10-708 (1). The aggregate value of all certificates of deposit shall equal no more than 25% of the total portfolio.

- 6.4 **Standards of Care and Performance.** The “reasonable prudence” standard shall be used by investment officials in the context of managing an overall portfolio. The “reasonable prudence” standard provides that investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation, but in regard to the permanent disposition of funds, considering the probable income as well as the probable safety of the capital.

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

In addition, officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the City Manager any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

- 6.5 **Authorized Financial Institutions, Depositories, and Broker-Dealers.** Unless utilizing the services of an external registered investment advisor, the Finance Department shall maintain a list of financial institutions and depositories authorized to provide investment services to the City. In addition, the Finance Department shall maintain a list of approved security broker/dealers that may include “primary” dealers or regional dealers qualifying under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). To qualify for consideration for investment transactions with the City, all financial institutions and broker-dealers must supply the following, as appropriate:

- Proof of state registration (except for those firms providing safekeeping and custodial services only).
- Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines.
- Proof of Financial Industry Regulatory Authority (FINRA) certification.
- Evidence of adequate insurance coverage.
- Certification of having read and understood and agreeing to comply with the City's investment policy.

An annual review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted by the Finance Director.

- 6.6 **Safekeeping and Custody.** All trades of marketable securities will be executed "delivery versus payment" (where applicable) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

Securities will be held by an independent third-party custodian selected by the City and evidenced by safekeeping receipts in the City's name. The safekeeping institution shall provide on an annual basis a copy of its most recent report on internal controls (Statement of Standards 70).

Moreover, management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. The internal controls structure should address the following points:

- Control of collusion.
- Separation of transaction authority from accounting and recordkeeping.
- Custodial safekeeping.
- Avoidance of physical delivery securities.
- Written confirmation of transactions for investments and wire transfers.
- Dual authorization of wire transfers.

Compliance with these controls shall be reviewed and confirmed through the City's annual independent audit.

6.7 **Performance Standards & Reporting**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The City's investment strategy is passive. Given this strategy, the basis used by the Finance Director to determine whether market yields are being achieved shall be the ColoTrust local government investment pool, the one-year US Treasury Bill, and the two-year Agency Benchmark.

The Finance Director shall provide the Finance Committee monthly investment reports that provide the status and characteristics of the current investment portfolio. The investment report should include schedules on:

- Portfolio diversification.
- Maturity distribution.
- A listing of all securities held by authorized investment category.
- Par value, amortized book value, and market value for all securities held.
- Monthly activity – purchases, sales, calls, and interest received.

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**Capital Asset  
Investment &  
Management Policies**

**Policy Section: 7**  
**Adopted by Resolution No. 92, Series 2015**  
**Effective Date: December 15, 2015**

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**Purpose and Scope**

Capital assets have a major impact on the ability of the City of Louisville to deliver services, the economic vitality of the City, and the overall quality of life for the City's citizens. The purpose of this policy is to provide general guidelines for a comprehensive process of allocating limited resources to capital investments. This policy applies to all funds included in the City's Five-Year Capital Improvement Plan.

**Policies**

- 7.1 General Process for Five-Year Capital Improvement Plan (C-I-P).** The Finance Department is responsible for coordinating the C-I-P process within the annual budget calendar and for compiling the requested, recommended, and adopted C-I-P document.

Each year, City departments will submit a list of prioritized projects for inclusion into the C-I-P. The City Manager will review the requests and make the final recommendations to City Council. City Council will review the recommended C-I-P and direct any changes for the final C-I-P. The first year of the C-I-P will be included in the Annual Operating & Capital Budget presented to the City Council for formal adoption in November.

The City shall provide meaningful opportunities for all stakeholders to provide input into the C-I-P development process.

- 7.2 C-I-P Project Selection.** An objective set of criteria will be used to assess and evaluate project proposals. Although specific criteria may be updated from time to time, the following concepts are core principles to be considered in the development of such criteria:
- **Long-Term Forecasts** – Long-term forecasts will be prepared to better understand resources available for capital spending and to assess operational impacts and eventual maintenance and replacement costs.
  - **Impact of Other Projects** – Projects shall not be considered in isolation. One project's impact on others should be recognized and costs shared between projects where appropriate.

- Full Costing – Cost analysis of a proposed project should encompass the entire cost of the project, including annual maintenance and other impacts to the operating budget.
- Predictable Project Timing & Scope – Schedule and scope estimates should be practical and achievable within the requested resources, including financial and human.

7.3 **Balanced C-I-P.** The adopted C-I-P will be balanced. This means that for the five year period, revenue plus the use of fund reserves will equal or exceed total project expenditures.

7.4 **Asset Maintenance & Replacement.** It is the City's intent to maintain its existing assets and a level that protects the initial capital investment and minimizes future maintenance and replacement costs. Based on an asset inventory and risk assessment, staff shall include recommendations for asset maintenance in the C-I-P. It is the City's intent to ensure that adequate resources are allocated to preserve the City's existing infrastructure to the best of its ability before allocating resources to other capital projects.



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**Accounting, Auditing, &  
Financial Reporting  
Policies**

**Policy Section: 8**  
**Adopted by Resolution No. 92, Series 2015**  
**Effective Date: December 15, 2015**

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**Purpose and Scope**

The City of Louisville desires to maintain a system of financial management that safeguards City assets, promotes financial transparency, and provides timely, accurate, and relevant financial information to citizens, elected officials, and management. This policy pertains to all funds and operations of the City and, to the extent reasonably possible, all component units of the City.

**Policies**

- 8.1 **Accounting.** The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles applicable to state and local governments. The City's accounting and reporting policies will conform to the generally accepted accounting principles (GAAP).
- 8.2 **Auditing.** Article 11, Section 11-7 of the City of Louisville Charter states, *"The Council shall provide for a financial audit, which shall be performed at least annually by a certified public accountant selected by the Council. The Audit shall be performed in accordance with the State statutes establishing the local government audit law. Copies of the audit shall be made available for public inspection."*

In compliance with the Charter, an annual audit will be performed by an independent certified public accounting firm in accordance with Generally Accepted Governmental Auditing Standards and the auditor's opinion will be included in the City's Comprehensive Annual Financial Report (CAFR).

The City's Finance Department shall be responsible for managing the audit procurement process. The City Council will appoint the independent auditor and approve each year's audit engagement letter. The audit engagement term shall typically be for five to ten years, subject to annual review, approval, and appropriation.

- 8.3 **Audit Committee.** The City's Finance Committee will act as the City's Audit Committee. The Audit Committee will provide an independent review and oversight of the government's financial reporting processes, internal controls, and independent auditors. The City's independent auditors will meet with the Audit Committee at least annually and have direct access to the Audit Committee if City staff is unresponsive to auditor recommendations or if

the auditors consider such communication necessary to fulfill their legal and professional responsibilities.

- 8.4 **Financial Reporting.** The City's Comprehensive Annual Financial Report (CAFR) will be published annually to present the results, financial position, and results of operations of the City for the prior year. As an additional independent confirmation of the quality of the City's financial information, the City will annually submit its CAFR to the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting program.

The Finance Department will provide monthly interim financial reports to the Finance Committee after the close of each month. The reports will be designed to keep the Committee continuously informed of the City's overall financial status.

- 8.5 **Internal Controls.** The goals and objectives of the City's internal control policies are to safeguard City assets and to foster reliance on public information for decision-making purposes at all levels both internally and externally. Management shall establish the presence of integrity, ethics, competence, and a positive control environment. Directors are responsible for establishing, executing, and maintaining control policies and procedures at the detail level within their specific departments.

The City's internal control structure will be based on the Committee of Sponsoring Organizations of the Treadway Commission on Fraudulent Financial Reporting (COSO) framework and comprised of the following elements:

- **Control Environment** – Factors include integrity and ethical values, commitment to competence, leadership philosophy and operating style, assignment of authority and responsibility, and policy and procedures;
- **Risk Assessment** – Routine assessment of risk and its impact on internal controls;
- **Control Activities** – Such as segregation of duties, authorization of transactions, retention of records, supervision and monitoring of operations, and physical safeguards;
- **Information and Communication** – Policies and procedures are documented and accessible; and
- **Monitoring** – Assessment of the quality of performance over time to determine whether controls are effective and track resolution achievements of identified problems.

- 8.6 **Capitalization of Assets.** The terms capital assets, capital outlay, and fixed assets are used to describe assets that are used in operations that have initial lives extending beyond a single reporting period, such as water rights, infrastructure, land, buildings, improvements other than buildings, and equipment. It is incumbent upon departments to maintain adequate control over all resources, including capital assets, to minimize the risk of loss or misuse.

Not all fixed assets are required to be reported on the City's balance sheet. Specifically, fixed assets with extremely short useful lives or fixed assets of small monetary value are properly reported as an "expenditure" or "expense" of the period in which they are acquired.

Fixed assets that are reported on the City's balance sheet are said to be "capitalized" and must meet the capitalization criteria outlined in this policy.

The City's capitalization criteria are, as follows:

- Assets should be capitalized only if they have an estimated useful life of at least two years following the date of acquisition.
- The capitalization thresholds shall normally be applied to individual items rather than to groups of similar items (e.g., chairs), unless the effect of doing so would be to eliminate a significant portion of total capital assets (e.g., library books).
- The capitalization threshold for each individual item is \$5,000.
- Directors are responsible for establishing control and inventory procedures at the department level for non-capitalized assets such as office equipment, communications equipment, fleet management inventory, firearms, etc.

**8.7 Accounts Receivable Write-Off.** Accounts receivable is an asset account reflecting amounts owed to the City. Staff will make every effort to collect all receivables. Only receivables deemed uncollectible can be written off. In order to be deemed uncollectible, a receivable must meet the following criteria:

- All standardized collections procedures have been exhausted;
- Further measures to collect the debt have been determined as inappropriate; and
- The characteristics of the debt are such that write-off is appropriate (e.g., the debt is small relative to the cost of further collection efforts).

The City Manager or Finance Director is authorized to approve a write-off of up to \$100 per individual account. Staff's request to write-off accounts greater than \$100 must be approved by the Finance Committee. The amounts and reasons for all write-offs will be documented and made available for audit.

**SUBJECT: REVENUE PROJECTION DASHBOARD – PROJECTIONS  
DATED JULY 6, 2018**

**DATE: JULY 16, 2018**

**PRESENTED BY: KEVIN WATSON, FINANCE**

**SUMMARY:**

Attached are two revenue projection “dashboards” with 2018 revenue projections dated July 6, 2018.

The first dashboard contains most City-wide revenue sources totaling at least \$100,000 per year. For each revenue source, a 2018 annual projection is compared to the 2018 annual budget and to the 2017 annual actual amount. Variances are expressed in both dollar amounts and percentages. Positive variances exceeding \$100,000 and/or 5% are highlighted in green. Negative variances exceeding \$100,000 and/or 5% are highlighted in red.

The second dashboard is similar to the first, but contains only General Fund revenue sources totaling at least \$100,000 per year. This dashboard also includes the latest projection of total General Fund revenue at the bottom.

Projections are based on a simple trend analysis using amounts actually received during the first six (6) months of the year. For some revenue sources, projections are based on forecasts made by the departments that assess or collect the revenue. These projections are highlighted in orange. In all other cases, projections are based on the Finance Department’s trend analysis.

All projections for building-related revenue are based on forecasts from the Planning & Building Department. Building-related revenue includes Building Use Tax, Construction Permits, Impact Fees, and Utility Tap Fees.

All projections for Recreation Center Fees are based on forecasts from the Parks & Recreation Department. The projection for Golf Course operating revenue includes a consolidation of green fees, annual season passes, golf cart rentals, driving range fees, pro shop merchandise sales, pull cart rentals, club rentals, golf lesson fees, club repair fees, handicap fees and payments from Sweet Spot. These are also based on forecasts from the Parks & Recreation Department.

All projections for Utility User Fees are based on forecasts from the Public Works Department.

City of Louisville, Colorado  
2018 Revenue Projection Dashboard - **All Funds**  
Projections As Of July 6, 2018

Revenue Category	2018 Budget	2018 Projection	Variance		2017 Actual	2018 Projection	Variance	
			Amount	Percent			Amount	Percent
Property Tax	5,628,660	5,587,901	(40,759)	-0.7%	3,625,112	5,587,901	1,962,789	54.1%
Sales Tax	15,840,030	15,840,030	-	0.0%	14,604,636	15,840,030	1,235,394	8.5%
Consumer Use Tax	1,740,100	1,740,100	-	0.0%	1,668,592	1,740,100	71,508	4.3%
Auto Use Tax	1,584,330	1,630,130	45,800	2.9%	1,488,697	1,630,130	141,433	9.5%
Building Use Tax	2,059,620	2,080,780	21,160	1.0%	1,823,614	2,080,780	257,166	14.1%
Lodging Tax	520,430	527,200	6,770	1.3%	516,863	527,200	10,337	2.0%
Specific Ownership Tax	203,310	276,510	73,200	36.0%	212,696	276,510	63,814	30.0%
Franchise Tax	1,123,230	1,088,680	(34,550)	-3.1%	1,078,608	1,088,680	10,072	0.9%
Marijuana Tax	175,730	162,830	(12,900)	-7.3%	141,591	162,830	21,239	15.0%
Construction Permits	939,510	939,510	-	0.0%	1,055,625	939,510	(116,115)	-11.0%
Court Fines	180,250	153,150	(27,100)	-15.0%	164,682	153,150	(11,532)	-7.0%
Highway Users Tax	645,880	799,140	153,260	23.7%	632,813	799,140	166,327	26.3%
Rec Ctr Membership Fees	631,120	732,850	101,730	16.1%	784,744	732,850	(51,894)	-6.6%
Rec Ctr Daily User Fees	69,630	73,540	3,910	5.6%	85,709	73,540	(12,169)	-14.2%
Rec Ctr Swim Lessons	88,320	62,000	(26,320)	-29.8%	119,516	62,000	(57,516)	-48.1%
Rec Ctr Youth Activity Fees	210,000	204,220	(5,780)	-2.8%	221,805	204,220	(17,585)	-7.9%
Rec Ctr Youth Sports Fees	126,000	124,790	(1,210)	-1.0%	129,714	124,790	(4,924)	-3.8%
State Lottery Proceeds	201,160	200,420	(740)	-0.4%	200,418	200,420	2	0.0%
Impact Fees	515,040	687,510	172,470	33.5%	605,800	687,510	81,710	13.5%
Water User Fees	5,975,460	5,700,000	(275,460)	-4.6%	5,756,498	5,700,000	(56,498)	-1.0%
Water Tap Fees	3,371,190	3,138,310	(232,880)	-6.9%	4,659,014	3,138,310	(1,520,704)	-32.6%
Wastewater User Fees	3,418,690	3,300,000	(118,690)	-3.5%	3,317,554	3,300,000	(17,554)	-0.5%
Wastewater Tap Fees	369,720	373,320	3,600	1.0%	819,240	373,320	(445,920)	-54.4%
Storm Water User Fees	761,340	737,150	(24,190)	-3.2%	728,961	737,150	8,189	1.1%
Golf Course Operating Revenue	1,666,620	1,630,890	(35,730)	-2.1%	1,535,442	1,630,890	95,448	6.2%
Solid Waste & Recycling Fees	1,478,480	1,520,470	41,990	2.8%	1,424,193	1,520,470	96,277	6.8%

Orange = Department Projection  
Green = Positive Variance exceeding \$100,000 and/or 5%  
White = Neutral Variance within \$100,000 and/or 5%  
Red = Negative Variance exceeding \$100,000 and/or 5%

City of Louisville, Colorado  
2018 Revenue Projection Dashboard - **General Fund**  
Projections As Of July 6, 2018

Revenue Category	2018 Budget	2018 Projection	Variance		2017 Actual	2018 Projection	Variance	
			Amount	Percent			Amount	Percent
Property Tax	3,303,030	3,266,170	(36,860)	-1.1%	2,800,682	3,266,170	465,488	16.6%
Sales Tax	8,682,710	8,682,710	-	0.0%	8,348,761	8,682,710	333,949	4.0%
Consumer Use Tax	953,480	953,480	-	0.0%	953,480	953,480	(0)	0.0%
Auto Use Tax	1,275,960	1,339,830	63,870	5.0%	1,276,028	1,339,830	63,802	5.0%
Lodging Tax	520,430	527,200	6,770	1.3%	516,863	527,200	10,337	2.0%
Specific Ownership Tax	203,310	276,510	73,200	36.0%	212,696	276,510	63,814	30.0%
Franchise Tax	1,123,230	1,088,680	(34,550)	-3.1%	1,078,608	1,088,680	10,072	0.9%
Marijuana Tax	175,730	162,830	(12,900)	-7.3%	141,591	162,830	21,239	15.0%
Construction Permits	939,510	939,510	-	0.0%	1,055,625	939,510	(116,115)	-11.0%
Court Fines	180,250	153,150	(27,100)	-15.0%	164,682	153,150	(11,532)	-7.0%
Highway Users Tax	645,880	799,140	153,260	23.7%	632,813	799,140	166,327	26.3%
Rec Ctr Membership Fees	631,120	732,850	101,730	16.1%	784,744	732,850	(51,894)	-6.6%
Rec Ctr Daily User Fees	69,630	73,540	3,910	5.6%	85,709	73,540	(12,169)	-14.2%
Rec Ctr Swim Lessons	88,320	62,000	(26,320)	-29.8%	119,516	62,000	(57,516)	-48.1%
Rec Ctr Youth Activity Fees	210,000	204,220	(5,780)	-2.8%	221,805	204,220	(17,585)	-7.9%
Rec Ctr Youth Sports Fees	126,000	124,790	(1,210)	-1.0%	129,714	124,790	(4,924)	-3.8%
<b>All General Fund Revenue</b>	<b>21,951,550</b>	<b>22,192,930</b>	<b>241,380</b>	<b>1.1%</b>	<b>20,432,313</b>	<b>22,192,930</b>	<b>1,760,617</b>	<b>8.6%</b>
<i>(not a total of above)</i>								

Orange = Department Other Than Finance Making the Projection  
Green = Positive Variance exceeding \$100,000 and/or 5%  
White = Neutral Variance within \$100,000 and/or 5%  
Red = Negative Variance exceeding \$100,000 and/or 5%

**SUBJECT: FINANCIAL STATEMENTS FOR THE QUARTER ENDED JUNE  
30, 2018**

**DATE: JULY 16, 2018**

**PRESENTED BY: KEVIN WATSON, FINANCE DIRECTOR**

**SUMMARY:**

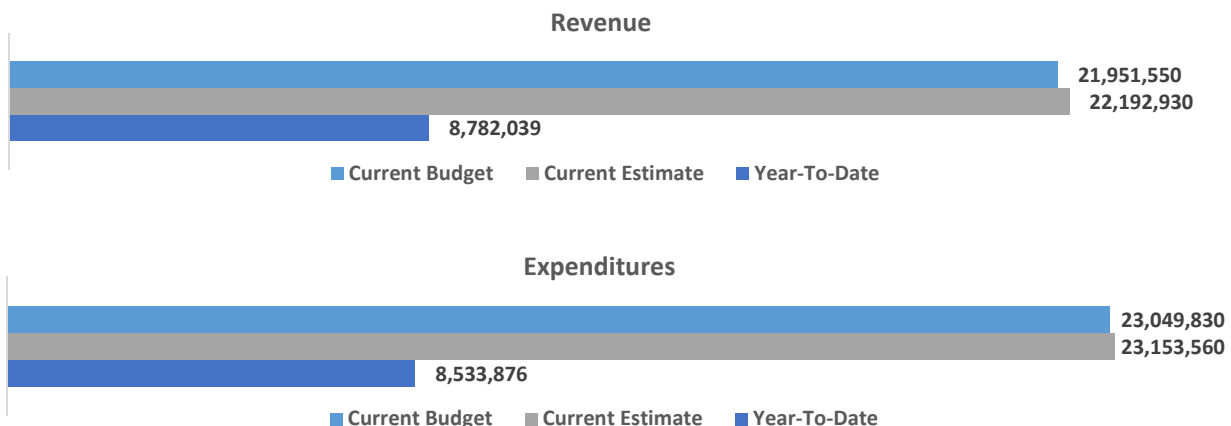
Attached are the March 31, 2018 financial statements for the City's ten main operating funds:

1. General Fund
2. Open Space & Parks Fund
3. Cemetery Fund
4. Historic Preservation Fund
5. Capital Projects Fund
6. Water Utility Fund
7. Wastewater Utility Fund
8. Storm Water Fund
9. Solid Waste & Recycling Fund
10. Golf Course Fund

These financial statements are prepared in the same format as those presented on March 31, 2018. Revenue is presented by source and then further categorized in areas where more information is desired. Expenditures are presented by function and then further categorized by division when more information is desired.

**General Fund**  
**Revenue, Expenditures, & Changes to Fund Balance**  
**June 30, 2018 - Cash Basis**

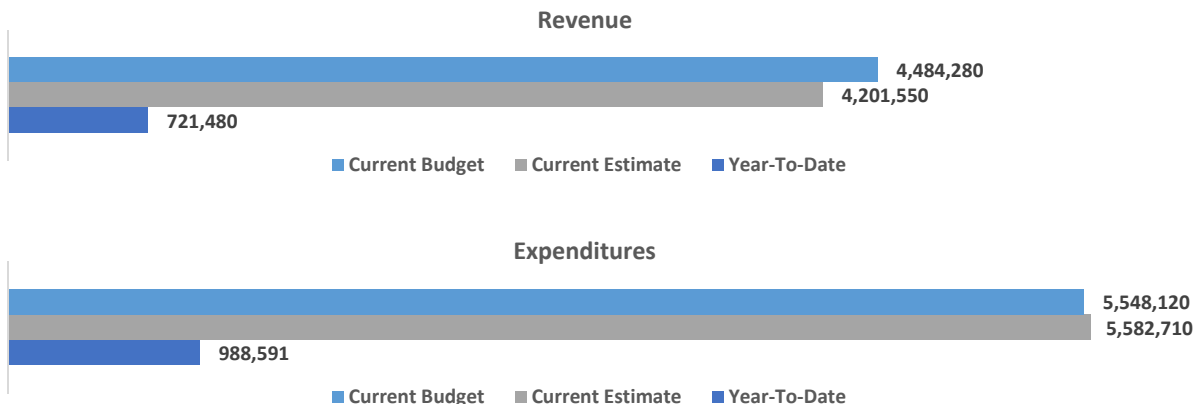
	2017	2018				
	Audited Actuals	Current Budget	Actuals @ 06/30/18	Percent of Budget	Current Estimate	Percent of Budget
Revenue:						
Taxes:						
Property Taxes	2,800,682	3,303,030	2,088,290	63.2%	3,266,170	98.9%
Sales Taxes (Net of BAP's)	8,267,631	9,298,040	2,664,475	28.7%	9,292,420	99.9%
Use Taxes (Net of BAP's)	2,165,757	2,482,770	813,148	32.8%	2,538,930	102.3%
Franchise Taxes	1,078,608	1,123,230	349,389	31.1%	1,088,680	96.9%
Other Taxes	830,159	807,370	262,809	32.6%	887,340	109.9%
Licenses & Permits:						
Construction Permits (Net of BAP's)	1,045,677	933,310	498,687	53.4%	894,810	95.9%
Other Licenses & Permits	427,078	400,310	317,898	79.4%	397,920	99.4%
Intergovernmental Revenue:						
Recurring State-Shared Revenue	1,353,961	1,447,500	628,640	43.4%	1,578,430	109.0%
Non-Recurring Grants/Contributions	28,182	15,000	15,850	105.7%	24,700	164.7%
Charges for Services:						
Recreation /Senior Center Fees	1,878,517	1,618,910	908,858	56.1%	1,676,740	103.6%
Other Charges for Servcies	169,337	162,770	53,443	32.8%	174,500	107.2%
Fines & Forfeitures	210,720	229,670	98,327	42.8%	199,550	86.9%
Miscellaenous Revenue	176,003	129,640	82,226	63.4%	172,740	133.2%
Total Revenue	20,432,313	21,951,550	8,782,039	40.0%	22,192,930	101.1%
Expenditures:						
General Government:						
City Manager	415,786	415,270	137,036	33.0%	415,270	100.0%
Economic Development	219,781	280,120	112,873	40.3%	280,120	100.0%
City Attorney	349,827	330,000	80,295	24.3%	330,000	100.0%
City Clerk & Municipal Court	499,777	560,230	240,216	42.9%	564,230	100.7%
Human Resources	517,490	495,860	230,884	46.6%	513,560	103.6%
Information Technology	497,386	645,340	284,886	44.1%	645,340	100.0%
Finance, Accounting, & Tax	852,428	718,870	318,205	44.3%	720,820	100.3%
Planning & Building Safety	1,299,735	1,243,770	577,954	46.5%	1,246,320	100.2%
General Administration Service	1,158,858	1,560,670	730,753	46.8%	1,575,180	100.9%
Public Safety	4,872,386	5,668,920	2,504,598	44.2%	5,677,420	100.1%
Public Works	2,311,031	2,960,930	952,142	32.2%	2,975,110	100.5%
Culture & Recreation:						
Library & Museum Services	1,850,154	2,081,990	945,174	45.4%	2,095,450	100.6%
Parks & Recreation Services	3,019,308	3,605,020	1,382,392	38.3%	3,627,060	100.6%
Debt Service	8,995	8,950	4,545	50.8%	8,950	100.0%
Interfund Transfers	67,800	2,473,890	31,923	1.3%	2,478,730	100.2%
Total Expenditures	17,940,742	23,049,830	8,533,876	37.0%	23,153,560	100.5%
Revenue Over/(Under) Expenditures	2,491,571	(1,098,280)	248,164		(960,630)	
Projected Turnback	N/A	720,160	N/A		723,620	
Beginning Fund Balance	5,305,766	7,797,337	7,797,337		7,797,337	
Ending Fund Balance	7,797,337	7,419,217	8,045,501		7,560,327	



**Open Space & Parks Fund**  
**Revenue, Expenditures, & Changes to Fund Balance**  
**June 30, 2018 - Cash Basis**

	2017	2018				
	Audited Actuals	Current Budget	Actuals @ 06/30/18	Percent of Budget	Current Estimate	Percent of Budget
<b>Revenue:</b>						
Taxes:						
Sales Taxes	1,563,969	1,626,530	466,308	28.7%	1,626,530	100.0%
Use Taxes	536,241	553,580	217,950	39.4%	560,490	101.2%
Intergovernmental Revenue	4,800	900,000	-	0.0%	900,000	100.0%
Miscellaneous Revenue:						
Developer Contributions	213,125	-	-		-	
Land Dedication Fees	602,257	-	-		-	
Other Miscellaneous Revenue	75,065	58,040	37,222	64.1%	69,040	119.0%
Other Financing Sources	6,500	-	-		-	
Interfund Transfers	173,950	1,346,130	-		1,045,490	77.7%
<b>Total Revenue</b>	<b>3,175,907</b>	<b>4,484,280</b>	<b>721,480</b>	<b>16.1%</b>	<b>4,201,550</b>	<b>93.7%</b>
<b>Expenditures:</b>						
Central Fund-Wide Charges	264,063	289,400	119,863	41.4%	291,110	100.6%
Snow & Ice Removal	81,986	85,880	38,905	45.3%	87,950	102.4%
Open Space Administration & Operations	312,162	298,900	141,667	47.4%	308,660	103.3%
Open Space Acquisition	3,897	8,970	1,789	19.9%	8,970	100.0%
Open Space Education & Outreach	109,092	191,590	68,776	35.9%	194,050	101.3%
Open Space Trail Maintenance	80,475	104,730	32,965	31.5%	105,530	100.8%
Open Space New Trails	19,717	20,030	7,967	39.8%	20,080	100.2%
Parks Administration & Operations	1,324,697	1,503,340	487,355	32.4%	1,521,080	101.2%
Capital - General Facilities	-	-	-		-	
Capital - Code Enforcement	-	-	-		-	
Capital - Streetscapes	19,021	27,500	815	3.0%	27,500	100.0%
Capital - Snow & Ice Removal	10,145	7,500	-	0.0%	7,500	100.0%
Capital - Parks	70,405	128,850	4,992	3.9%	128,850	100.0%
Capital - Forestry	-	-	-		-	
Capital - Cemetery	-	-	-		-	
Capital - Open Space Maintenance	5,466	30,000	1,168	3.9%	30,000	100.0%
Capital - Open Space Education & Outreach	1,064	130,170	2,716	2.1%	130,170	100.0%
Capital - Open Space Trail Maintenance	46,416	17,500	-	0.0%	17,500	100.0%
Capital - Open Space New Trails	120,550	2,693,860	79,615	3.0%	2,693,860	100.0%
Capital - Youth Activities	-	-	-		-	
Capital - Adult Activities	-	-	-		-	
Capital - Golf Course	-	-	-		-	
Capital - Athletic Fields	-	9,900	-	0.0%	9,900	100.0%
Capital - Parks & Recreation	-	-	-		-	
Capital - Open Space Acquisition	2,065,250	-	-		-	
<b>Total Expenditures</b>	<b>4,534,406</b>	<b>5,548,120</b>	<b>988,591</b>	<b>17.8%</b>	<b>5,582,710</b>	<b>100.6%</b>
<b>Revenue Over/(Under) Expenditures</b>	<b>(1,358,499)</b>	<b>(1,063,840)</b>	<b>(267,111)</b>		<b>(1,381,160)</b>	
<b>Beginning Fund Balance</b>	<b>4,005,324</b>	<b>2,646,825</b>	<b>2,646,825</b>		<b>2,646,825</b>	
<b>Ending Fund Balance</b>	<b>2,646,825</b>	<b>1,582,985</b>	<b>2,379,715</b>		<b>1,265,665</b>	

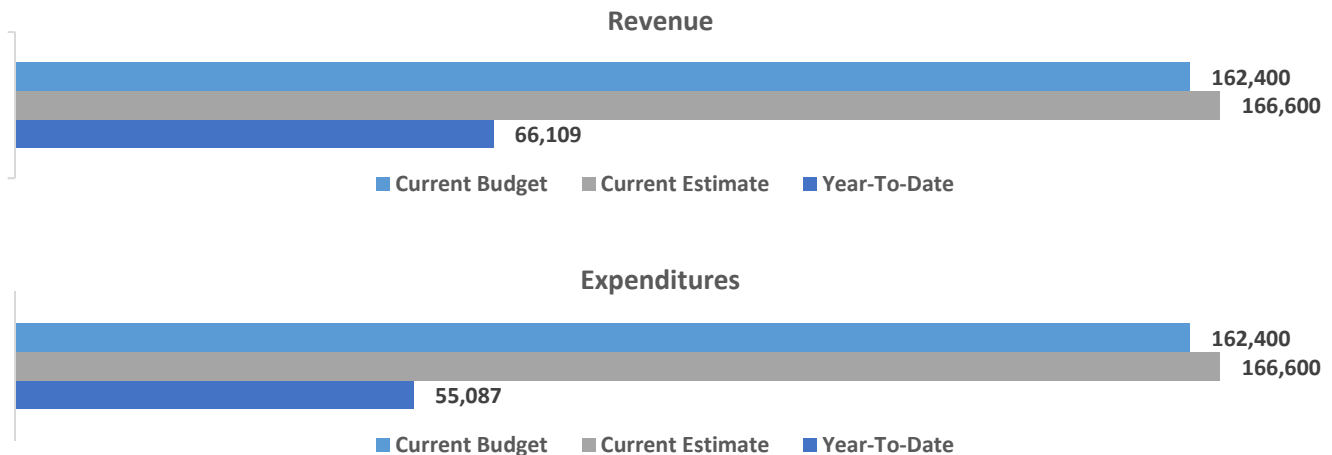
<b>Checks</b>	-	-	-	-
	-	-	-	-
	-	-	-	-





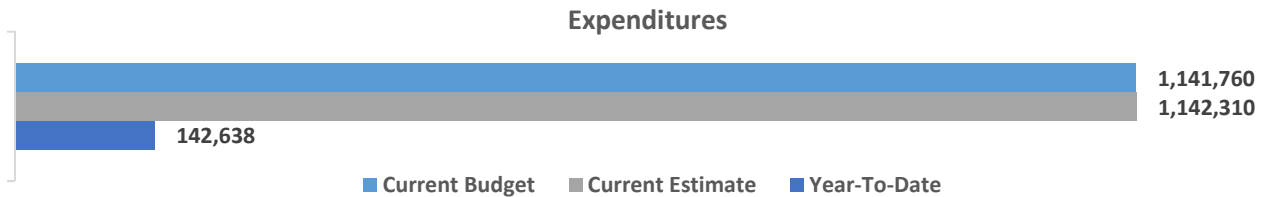
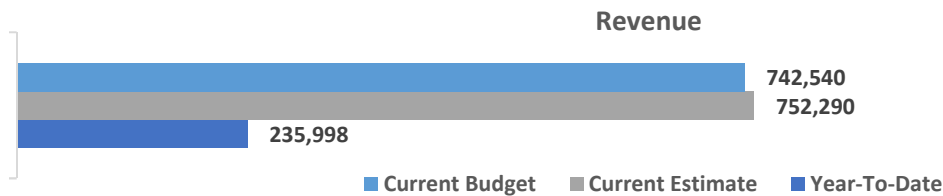
**Cemetery Fund**  
**Revenue, Expenditures, & Changes to Fund Balance**  
**June 30, 2018 - Cash Basis**

	2017	2018				
	Audited Actuals	Current Budget	Actuals @ 06/30/18	Percent of Budget	Current Estimate	Percent of Budget
<b>Revenue:</b>						
Licenses & Permits:						
Burial Permits	39,567	24,270	14,660	60.4%	27,340	112.6%
Charges for Services:						
Burial Fees (Open & Close Fees)	38,790	35,110	19,335	55.1%	38,670	110.1%
Miscellaneous Revenue:	299	380	190	50.1%	420	110.5%
Interfund Transfers	71,766	102,640	31,923	31.1%	100,170	97.6%
<b>Total Revenue</b>	<b>150,421</b>	<b>162,400</b>	<b>66,109</b>	<b>40.7%</b>	<b>166,600</b>	<b>102.6%</b>
<b>Expenditures:</b>						
Administration & Operations	138,468	154,900	54,468	35.2%	159,100	102.7%
Capital - Parks	14,410	7,500	619	8.3%	7,500	100.0%
<b>Total Expenditures</b>	<b>152,877</b>	<b>162,400</b>	<b>55,087</b>	<b>33.9%</b>	<b>166,600</b>	<b>102.6%</b>
<b>Revenue Over/(Under) Expenditures</b>	<b>(2,456)</b>	<b>-</b>	<b>11,022</b>		<b>-</b>	
<b>Beginning Fund Balance</b>	<b>30,152</b>	<b>27,696</b>	<b>27,696</b>		<b>27,696</b>	
<b>Ending Fund Balance</b>	<b>27,696</b>	<b>27,696</b>	<b>38,718</b>		<b>27,696</b>	



**Historic Preservation Fund**  
**Revenue, Expenditures, & Changes to Fund Balance**  
**June 30, 2018 - Cash Basis**

	2017	2018				
	Audited Actuals	Current Budget	Actuals @ 06/30/18	Percent of Budget	Current Estimate	Percent of Budget
<b>Revenue:</b>						
Taxes:						
Sales Taxes	521,333	542,190	155,436	28.7%	542,190	100.0%
Use Taxes (Net of BAP's)	178,717	184,090	72,650	39.5%	186,800	101.5%
Intergovernmental Revenue	4,219	-	-		-	
Miscellaenous Revenue	11,830	16,260	7,912	48.7%	23,300	143.3%
<b>Total Revenue</b>	<b>716,099</b>	<b>742,540</b>	<b>235,998</b>	<b>31.8%</b>	<b>752,290</b>	<b>101.3%</b>
<b>Expenditures:</b>						
Administration & Operations	148,570	206,310	76,323	37.0%	206,860	100.3%
Historic Preservation Incentives	117,243	548,820	1,900	0.3%	548,820	100.0%
Historic Preservation Acquisitions	1	386,630	64,415	16.7%	386,630	100.0%
<b>Total Expenditures</b>	<b>265,815</b>	<b>1,141,760</b>	<b>142,638</b>	<b>12.5%</b>	<b>1,142,310</b>	<b>100.0%</b>
<b>Revenue Over/(Under) Expenditures</b>	<b>450,284</b>	<b>(399,220)</b>	<b>93,360</b>		<b>(390,020)</b>	
<b>Beginning Fund Balance</b>	<b>1,309,494</b>	<b>1,759,778</b>	<b>1,759,778</b>		<b>1,759,778</b>	
<b>Ending Fund Balance</b>	<b>1,759,778</b>	<b>1,360,558</b>	<b>1,853,138</b>		<b>1,369,758</b>	



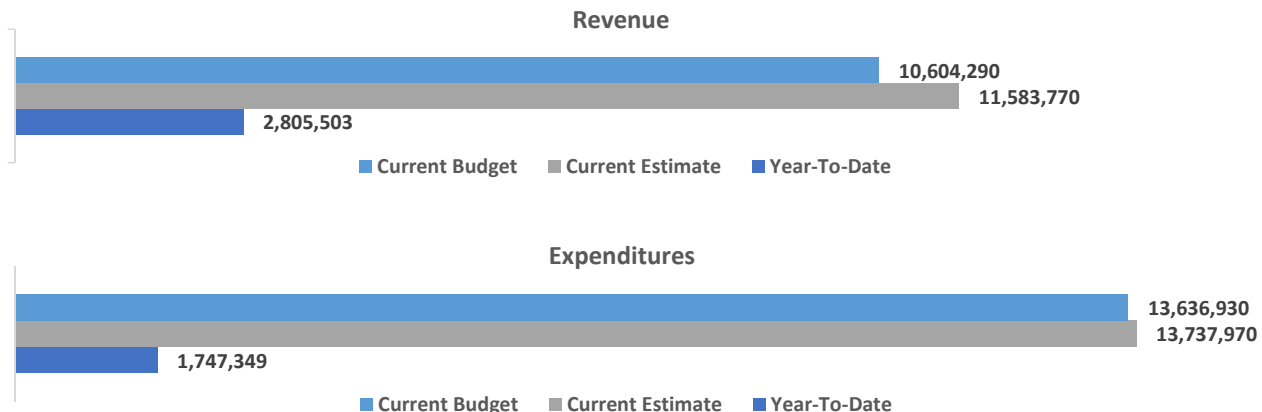
**Capital Projects Fund**  
**Revenue, Expenditures, & Changes to Fund Balance**  
**June 30, 2018 - Cash Basis**

	2017	2018				
	Audited Actuals	Current Budget	Actuals @ 06/30/18	Percent of Budget	Current Estimate	Percent of Budget
<b>Revenue:</b>						
Taxes:						
Sales Taxes (Net of BAP's)	4,130,009	4,319,470	1,243,489	28.8%	4,316,660	99.9%
Use Taxes (Net of BAP's)	2,018,889	2,181,970	980,166	44.9%	2,117,810	97.1%
Intergovernmental Revenue	233,234	2,903,620	46,877	1.6%	2,903,620	100.0%
Charges for Services	15,300	10,000	22,850	228.5%	22,850	228.5%
Miscellaneous Revenue:						
Developer Contributions	453,405	113,610	413,405 a	363.9%	413,410	363.9%
URD Contributions	303,952	316,580	-	0.0%	321,870	101.7%
Other Miscellaneous Revenue	121,761	111,750	98,716	88.3%	134,600	120.4%
Other Financing Sources	2,050	-	-	-	-	-
Interfund Transfers	825,151	647,290	-	0.0%	1,352,950 b	209.0%
<b>Total Revenue</b>	<b>8,103,751</b>	<b>10,604,290</b>	<b>2,805,503</b>	<b>26.5%</b>	<b>11,583,770</b>	<b>109.2%</b>
<b>Expenditures:</b>						
Central Fund-Wide Charges	368,768	301,410	136,353	45.2%	301,960	100.2%
Capital - Sustainability	-	8,000	-	0.0%	8,000	100.0%
Capital - City Clerk	-	9,000	8,627	-	9,000	100.0%
Capital - Community Design	365	496,120	486,121	98.0%	496,120	100.0%
Capital - Historic Preservation	-	52,500	-	0.0%	52,500	100.0%
Capital - Information Technology	133,741	154,070	1,119	-	154,070	100.0%
Capital - General Facilities	22,855	49,500	-	0.0%	49,500	100.0%
Capital - Patrol & Investigations	65,772	413,060	50,825	12.3%	413,230	100.0%
Capital - Code Enforcement	157	-	-	-	-	-
Capital - Municipal Court	-	23,500	7,407	31.5%	23,500	100.0%
Capital - Planning & Engineering	211,804	2,516,170	41,543	1.7%	2,516,170	100.0%
Capital - Transportation	4,492,130	8,289,760	724,268	8.7%	8,289,760	100.0%
Capital - Streetscapes	-	35,000	155	0.4%	35,000	100.0%
Capital - Open Space New Trails	872,179	327,230	33,631	10.3%	327,230	100.0%
Capital - Adult Activities	51,192	88,810	-	0.0%	88,810	100.0%
Capital - Aquatics	18,637	10,000	-	0.0%	10,000	100.0%
Capital - Recreation Center Building	321,215	-	-	-	-	-
Capital - Library Services	126,591	115,000	164,549 c	143.1%	215,000	187.0%
Capital - Museum Services	50,204	101,700	-	0.0%	101,700	100.0%
Capital - Cultural Arts & Special Events	51,228	51,000	35,820	70.2%	51,320	100.6%
Capital - Business Retention & Development	-	200,000	56,932	28.5%	200,000	100.0%
Interfund Transfers	-	395,100	-	0.0%	395,100	100.0%
<b>Total Expenditures</b>	<b>6,786,835</b>	<b>13,636,930</b>	<b>1,747,349</b>	<b>12.8%</b>	<b>13,737,970</b>	<b>100.7%</b>
<b>Revenue Over/(Under) Expenditures</b>	<b>1,316,916</b>	<b>(3,032,640)</b>	<b>1,058,154</b>		<b>(2,154,200)</b>	
<b>Beginning Fund Balance</b>	<b>3,376,846</b>	<b>4,693,763</b>	<b>4,693,763</b>		<b>4,693,763</b>	
<b>Ending Fund Balance</b>	<b>4,693,763</b>	<b>1,661,123</b>	<b>5,751,916</b>		<b>2,539,563</b>	

a) Developer contributions = \$303,405 from Koebel and \$110,000 from Kestral

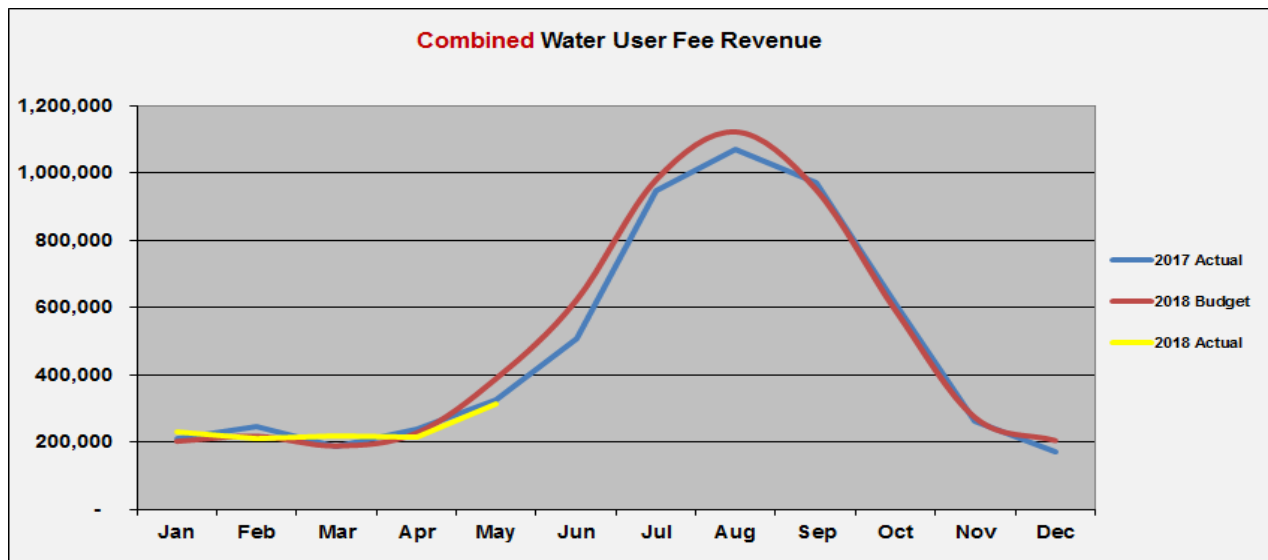
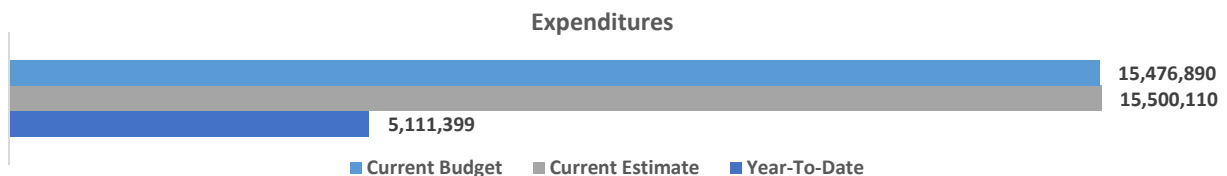
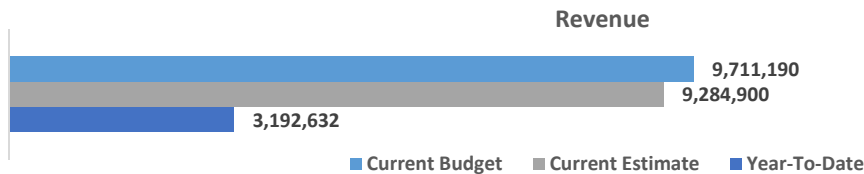
b) Estimate for Interfund Transfers increased due to increase in projected Transportation Impact Fees

c) Over-budget condition due to carryforward of Library Building Automation project - budget has not yet been amended



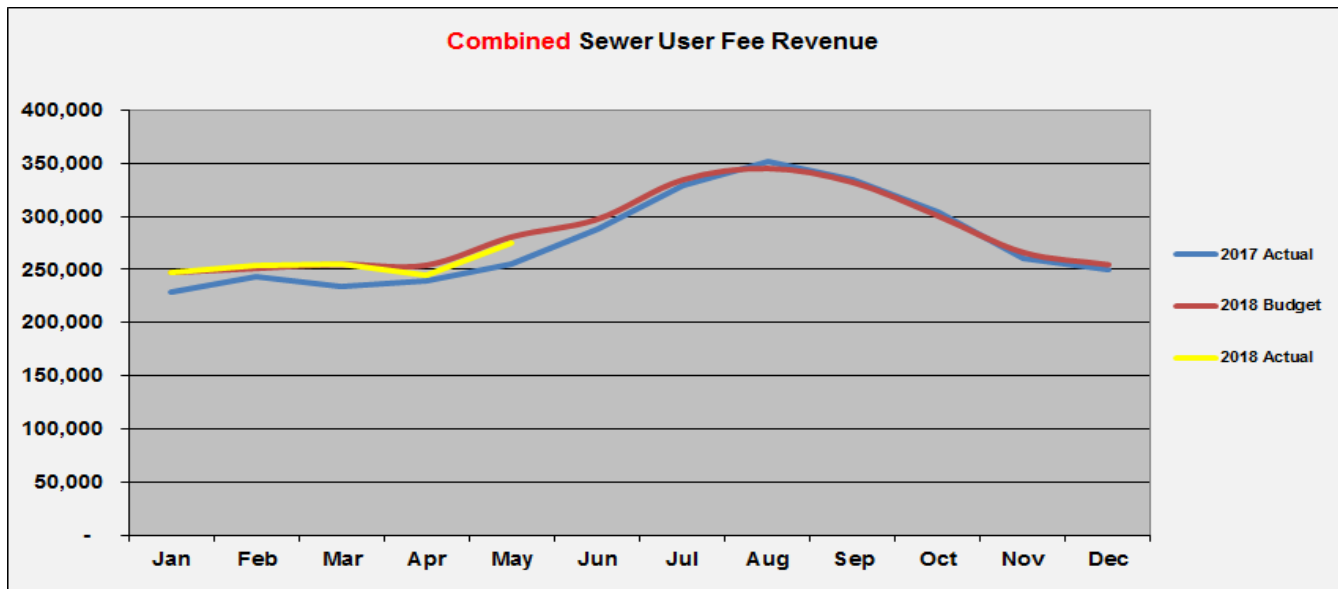
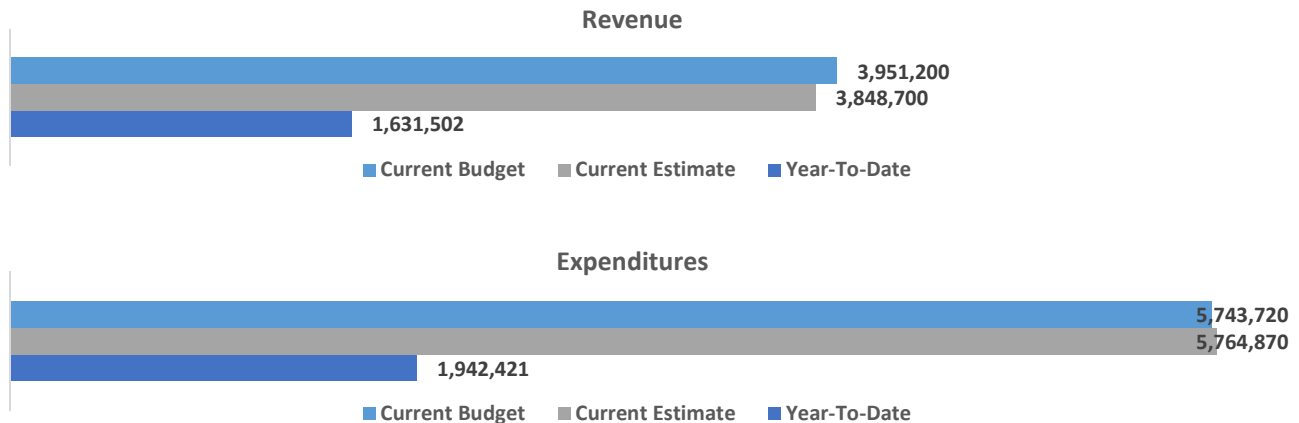
**Water Utility Fund**  
**Revenue, Expenditures, & Changes to Fund Balance**  
**June 30, 2018 - Budgetary Basis & Cash Basis**

	2017	2018				
	Audited Actuals	Current Budget	Actuals @ 06/30/18	Percent of Budget	Current Estimate	Percent of Budget
<b>Revenue:</b>						
Intergovernmental Revenue	335,181	-	-	-	-	-
Charges for Services:						
User Fees	5,851,124	6,089,240	1,421,368	23.3%	5,794,630	95.2%
Tap Fees	4,659,014	3,371,190	1,617,186	48.0%	3,138,310	93.1%
Miscellaneous Revenue	416,444	250,760	153,077	61.0%	350,960	140.0%
Other Financing Sources	-	-	1,000	-	1,000	-
<b>Total Revenue</b>	<b>11,261,763</b>	<b>9,711,190</b>	<b>3,192,632</b>	<b>32.9%</b>	<b>9,284,900</b>	<b>95.6%</b>
<b>Expenditures:</b>						
Central Fund-Wide Charges	476,752	495,150	234,517	47.4%	498,650	100.7%
Utility Billing	135,665	153,830	53,211	34.6%	154,090	100.2%
Water Utility Engineering	69,564	96,490	31,876	33.0%	96,700	100.2%
Water Plant Operations	1,324,028	2,137,480	620,674	29.0%	2,138,240	100.0%
Raw Water Operations	481,185	971,380	352,465	36.3%	971,380	100.0%
Water Distribution	461,871	583,450	202,083	34.6%	585,000	100.3%
Water Treatment Plant Building Maintenance	186,069	219,750	64,725	29.5%	221,990	101.0%
Debt Service	976,824	987,190	121,172	12.3%	987,190	100.0%
Replacement Capital - Public Works	2,049,987	2,992,600	665,904	22.3%	2,992,600	100.0%
Capital - Public Works	1,869,152	6,839,570	2,764,772	40.4%	6,854,270	100.2%
<b>Total Expenditures</b>	<b>8,031,098</b>	<b>15,476,890</b>	<b>5,111,399</b>	<b>33.0%</b>	<b>15,500,110</b>	<b>100.2%</b>
<b>Revenue Over/(Under) Expenditures</b>	<b>3,230,664</b>	<b>(5,765,700)</b>	<b>(1,918,768)</b>		<b>(6,215,210)</b>	
<b>Beginning Working Capital</b>	<b>14,666,139</b>	<b>17,896,803</b>	<b>17,896,803</b>		<b>17,896,803</b>	
<b>Ending Working Capital</b>	<b>17,896,803</b>	<b>12,131,103</b>	<b>15,978,035</b>		<b>11,681,593</b>	



**Wastewater Utility Fund**  
**Revenue, Expenditures, & Changes to Fund Balance**  
**June 30, 2018 - Budgetary Basis & Cash Basis**

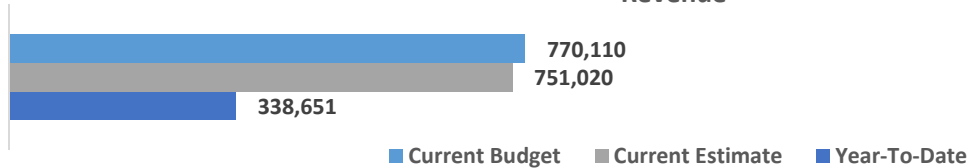
	2017	2018				
	Audited Actuals	Current Budget	Actuals @ 06/30/18	Percent of Budget	Current Estimate	Percent of Budget
<b>Revenue:</b>						
Charges for Services:						
User Fees	3,366,598	3,470,190	1,409,334	40.6%	3,351,500	96.6%
Tap Fees	819,240	369,720	156,760	42.4%	373,320	101.0%
Miscellaneous Revenue	160,451	111,290	65,408	58.8%	123,880	111.3%
<b>Total Revenue</b>	<b>4,346,289</b>	<b>3,951,200</b>	<b>1,631,502</b>	<b>41.3%</b>	<b>3,848,700</b>	<b>97.4%</b>
<b>Expenditures:</b>						
Central Fund-Wide Charges	371,666	353,080	161,751	45.8%	353,380	100.1%
Utility Billing	113,671	122,560	44,611	36.4%	122,820	100.2%
Wastewater Utility Engineering	44,841	71,410	20,990	29.4%	71,410	100.0%
Wastewater Collections	224,838	237,480	99,773	42.0%	250,830	105.6%
Wastewater Treatment Plant Operations	758,609	883,550	365,237	41.3%	890,550	100.8%
Pretreatment	44,433	99,140	14,079	14.2%	99,140	100.0%
Wastewater Treatment Plant Building Maint	300,726	393,860	100,923	25.6%	394,100	100.1%
Debt Service	1,272,007	1,278,240	639,121	50.0%	1,278,240	100.0%
Replacement Capital - Public Works	1,051,821	1,116,220	51,528	4.6%	1,116,220	100.0%
Capital - Public Works	6,473,209	1,188,180	444,407	37.4%	1,188,180	100.0%
<b>Total Expenditures</b>	<b>10,655,819</b>	<b>5,743,720</b>	<b>1,942,421</b>	<b>33.8%</b>	<b>5,764,870</b>	<b>100.4%</b>
<b>Revenue Over/(Under) Expenditures</b>	<b>(6,309,531)</b>	<b>(1,792,520)</b>	<b>(310,919)</b>		<b>(1,916,170)</b>	
<b>Beginning Working Capital</b>	<b>12,374,069</b>	<b>6,064,538</b>	<b>6,064,538</b>		<b>6,064,538</b>	
<b>Ending Working Capital</b>	<b>6,064,538</b>	<b>4,272,018</b>	<b>5,753,620</b>		<b>4,148,368</b>	



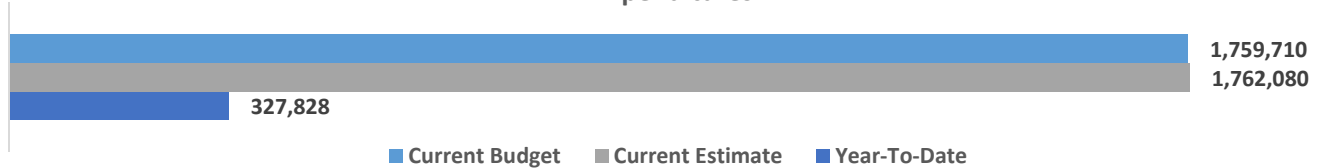
**Storm Water Utility Fund**  
**Revenue, Expenditures, & Changes to Fund Balance**  
**June 30, 2018 - Budgetary Basis & Cash Basis**

	2017	2018				
	Audited Actuals	Current Budget	Actuals @ 06/30/18	Percent of Budget	Current Estimate	Percent of Budget
Revenue:						
Licenses & Permits	500	2,000	-	0.0%	2,000	100.0%
Intergovernmental Revenue	265,643	-	-		-	
Charges for Services	739,801	762,240	333,280	43.7%	738,050	96.8%
Miscellaenous Revenue	9,870	5,870	5,371	91.5%	10,970	186.9%
Total Revenue	1,015,814	770,110	338,651	44.0%	751,020	97.5%
Expenditures:						
Storm Water Utility Engineering	34,501	61,080	15,972	26.1%	61,080	100.0%
Storm Water Administration & Operations	253,443	291,050	100,714	34.6%	293,420	100.8%
Debt Service	260,532	261,810	130,905	50.0%	261,810	100.0%
Capital - Public Works	390,646	1,145,770	80,237	7.0%	1,145,770	100.0%
Total Expenditures	939,122	1,759,710	327,828	18.6%	1,762,080	100.1%
Revenue Over/(Under) Expenditures	76,692	(989,600)	10,824		(1,011,060)	
Beginning Working Capital	1,165,980	1,242,672	1,242,672		1,242,672	
Ending Working Capital	1,242,672	253,072	1,253,496		231,612	

**Revenue**

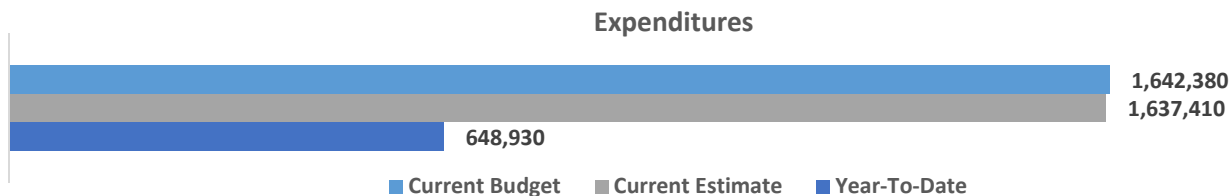
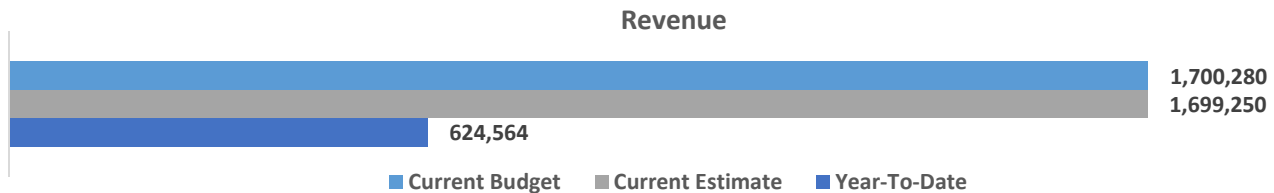


**Expenditures**



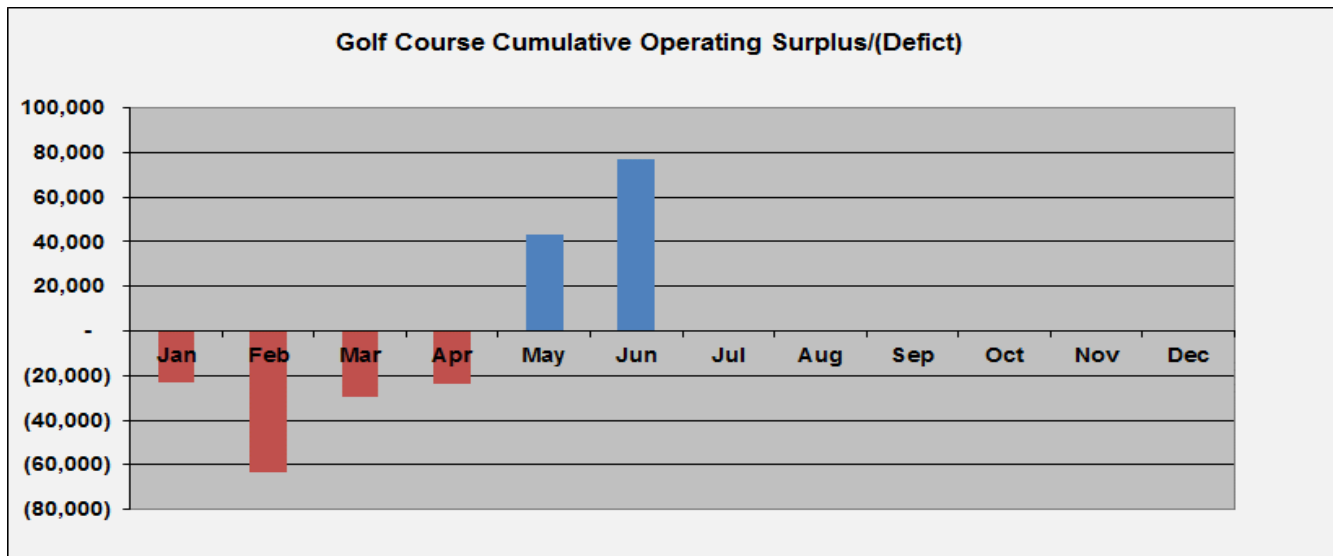
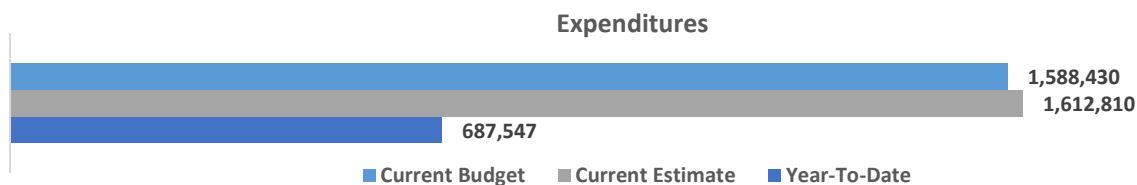
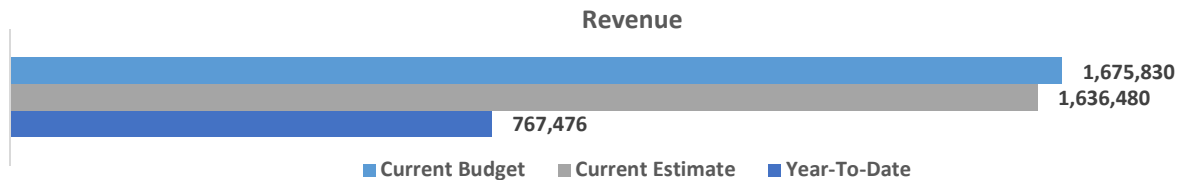
**Solid Waste & Recycling Fund**  
**Revenue, Expenditures, & Changes to Fund Balance**  
**June 30, 2018 - Budgetary Basis & Cash Basis**

	2017	2018				
	Audited Actuals	Current Budget	Actuals @ 06/30/18	Percent of Budget	Current Estimate	Percent of Budget
<b>Revenue:</b>						
Charges for Services:						
User Fees	1,424,193	1,478,480	540,686	36.6%	1,478,480	100.0%
Administration Fees	127,936	149,980	49,921	33.3%	148,980	99.3%
Hazardous Waste Fees	54,834	61,200	27,063	44.2%	61,200	100.0%
Other Fees	10,657	9,550	6,524	68.3%	9,550	100.0%
Miscellaenous Revenue	(3)	1,070	370	34.6%	1,040	97.2%
<b>Total Revenue</b>	<b>1,617,618</b>	<b>1,700,280</b>	<b>624,564</b>	<b>36.7%</b>	<b>1,699,250</b>	<b>99.9%</b>
<b>Expenditures:</b>						
Administration & Operations	96,944	98,570	34,528	35.0%	99,170	100.6%
BC Household Hazardous Waste	62,256	58,070	11,564	19.9%	59,760	102.9%
Professional Services - Solid Waste Hauling	1,433,766	1,485,740	602,837	40.6%	1,478,480	99.5%
<b>Total Expenditures</b>	<b>1,592,967</b>	<b>1,642,380</b>	<b>648,930</b>	<b>39.5%</b>	<b>1,637,410</b>	<b>99.7%</b>
<b>Revenue Over/(Under) Expenditures</b>	<b>24,651</b>	<b>57,900</b>	<b>(24,366)</b>		<b>61,840</b>	
<b>Beginning Working Capital</b>	<b>(7,332)</b>	<b>17,319</b>	<b>17,319</b>		<b>17,319</b>	
<b>Ending Working Capital</b>	<b>17,319</b>	<b>75,219</b>	<b>(7,047)</b>		<b>79,159</b>	



**Golf Course Fund**  
**Revenue, Expenditures, & Changes to Fund Balance**  
**June 30, 2018 - Budgetary Basis & Cash Basis**

	2017	2018				
	Audited Actuals	Current Budget	Actuals @ 06/30/18	Percent of Budget	Current Estimate	Percent of Budget
<b>Revenue:</b>						
Charges for Services:						
Green Fees	833,131	924,000	389,815	42.2%	880,000	95.2%
Annual Season Passes	152,940	155,000	90,839	58.6%	160,000	103.2%
Golf Cart Rentals	221,517	250,000	85,874	34.3%	227,140	90.9%
Driving Range Fees	108,124	110,000	58,265	53.0%	106,690	97.0%
Pro Shop Merchandise Sales	98,642	110,000	63,000	57.3%	127,500	115.9%
Other Charges for Services	121,088	117,620	76,839	65.3%	129,560	110.2%
Miscellaneous Revenue	4,107	9,210	2,295	24.9%	5,040	54.7%
Other Financing Sources	-	-	550		550	
<b>Total Revenue</b>	<b>1,539,549</b>	<b>1,675,830</b>	<b>767,476</b>	<b>45.8%</b>	<b>1,636,480</b>	<b>97.7%</b>
<b>Expenditures:</b>						
General & Marketing	134,525	131,830	47,804	36.3%	134,090	101.7%
Golf Operations & Pro Shop	630,213	575,520	359,918	62.5%	584,430	101.5%
Golf Course Maintenance	551,453	773,030	244,440	31.6%	776,140	100.4%
Golf Clubhouse Operations & Maintenance	86,596	93,550	35,385	37.8%	103,650	110.8%
Capital - Parks & Recreation	8,757	14,500	-	0.0%	14,500	100.0%
<b>Total Expenditures</b>	<b>1,411,543</b>	<b>1,588,430</b>	<b>687,547</b>	<b>43.3%</b>	<b>1,612,810</b>	<b>101.5%</b>
<b>Revenue Over/(Under) Expenditures</b>	<b>128,006</b>	<b>87,400</b>	<b>79,929</b>		<b>23,670</b>	
<b>Beginning Working Capital</b>	<b>158,792</b>	<b>286,798</b>	<b>286,798</b>		<b>286,798</b>	
<b>Ending Working Capital</b>	<b>286,798</b>	<b>374,198</b>	<b>366,727</b>		<b>310,468</b>	





**SUBJECT: C-I-P REPORT FOR THE QUARTER ENDED JUNE 30, 2018**

**DATE: JULY 16, 2018**

**PRESENTED BY: CARA GOLDEN, ACCOUNTING MANAGER**

**SUMMARY:**

Attached is the 2018 amended budget C-I-P report by fund included in the 2018. Explanations for column data by column title (that are not self-explanatory) follow:

- Amended Budget
  - Total budget as of June 30, 2018
- YTD expenditures
  - Total expenditures (January 1 - June 30, 2018)
- Carry Forward portion
  - Budget amount that was carried forward from a prior year
- Total 2018 Cost Estimate
  - The project "owner's" updated estimate of the total expenditures for 2018
- Notes
  - Information on the project compiled quarterly by the City Manager's office

Thank you.

2018 Budget to YTD Actual as of June 30, 2018					Carry Forward portion	Total 2018 Cost Estimate	Notes updated Quarterly (Last updated 6/30/18)
Account number	Description	Amended Budget	YTD expenditures	% Spent YTD			
<b>OPEN SPACE AND PARKS FUND</b>							
201313-630101	Irrig Replacements & Improvs	\$20,000	\$196	1.0%		\$0	
201313-640001	Machinery & Equipment	\$7,500	\$619	8.3%		\$0	
201314-640001	Machinery & Equipment	\$7,500	\$0	0.0%		\$0	
201511-630071	Parks and Open Space Signs	\$31,250	\$0	0.0%		\$0	
201511-630101	Irrig Replacements & Improvs	\$30,000	\$40	0.1%		\$0	
201511-630127	Miner's Field Park Improvs	\$10,000	\$8,275	82.8%		\$0	
201511-640001	Machinery & Equipment	\$52,500	\$4,952	9.4%		\$0	
201511-660105	Soccer/Multipurpose Fields	\$5,100	\$6,367	124.8%		\$0	
201522-630004	Lastoka Property Conser	\$12,500	\$1,168	9.3%	\$ 12,500	\$0	
201522-640001	Machinery & Equipment	\$17,500	\$0	0.0%		\$0	
201523-630117	Interpretive Education	\$6,000	\$1,765	29.4%		\$0	
201523-660093	Trail Connections	\$124,170	\$8,597	6.9%		\$8,597	Dillon and Powerline Trails design complete in 2018.
201524-640001	Machinery & Equipment	\$17,500	\$0	0.0%		\$0	
201528-660067	Hwy 42 Multi-use Underpass	\$2,100,620	\$75,447	3.6%	\$ 300,620	\$2,100,620	Design stages.
201528-660093	Trail Connections	\$496,700	\$0	0.0%		\$410,403	Bid out construction for Powerline Trail in Fall 2018. Dillon trail will require carry forward and approval for 2019 expenditures.
201528-660201	Trail Projects	\$35,240	\$13,243	37.6%	\$ 35,240	\$0	
201528-660224	Kestral Trail Connection	\$61,300	\$0	0.0%	\$ 61,300	\$0	
201538-660105	Soccer/Multi-purpose Field	\$9,900	\$9,900	100.0%		\$0	
	<b>OPEN SPACE AND PARKS</b>	<b>\$3,045,280</b>	<b>\$130,569</b>	<b>4.3%</b>	<b>\$409,660</b>	<b>\$2,519,620</b>	
<b>CT-LOTTERY FUND</b>							
202511-620004	Recreation Campus Restroom	\$206,400	\$72,750	35.2%	\$ 116,360	\$206,400	Construction 95% complete; anticipate July opening.
202511-630048	Playgrounds	\$82,700	\$66,697	80.6%	\$ 70,020	\$0	
	<b>CT-LOTTERY FUND TOTAL</b>	<b>\$289,100</b>	<b>\$66,697</b>	<b>23.1%</b>	<b>\$186,380</b>	<b>\$206,400</b>	
<b>CEMETERY FUND</b>							
204799-640001	Machinery & Equipment	\$7,500	\$619	8.3%		\$0	
	<b>CEMETERY FUND TOTAL</b>	<b>\$7,500</b>	<b>\$619</b>	<b>8.3%</b>	<b>\$0</b>	<b>\$0</b>	
<b>PEG FEE FUND</b>							
205120-600008	PEG Capital	\$165,000	\$11,338	6.9%		\$0	

Account number	Description	Amended Budget	YTD expenditures	% Spent YTD	Forward portion	Total 2018 Cost Estimate	Notes updated Quarterly (Last updated 6/30/18)
	<b>CEMETERY FUND TOTAL</b>	<b>\$165,000</b>	<b>\$11,338</b>	<b>6.9%</b>	<b>\$0</b>	<b>\$0</b>	
<b>HISTORICAL</b>							
207542-620098	Austin Niehoff House Rehab	\$82,500	\$0	0.0%			
207542-620109	Miner's Cabins Relocation	\$245,000	\$21,552	8.8%	\$ 22,000	\$245,000	Relocation proposals require Council approval of contract; expected presentation Fall 2018.
207542-630123	Historic Interpretive Signs	\$25,000	\$8,730	34.9%	\$ 25,000		
207542-650095	Blue Parrot Sign	\$34,130	\$34,133	100.0%			
	<b>HISTORICAL FUND TOTAL</b>	<b>\$386,630</b>	<b>\$64,415</b>	<b>16.7%</b>	<b>\$47,000</b>	<b>\$245,000</b>	
<b>CAPITAL PROJECTS FUND</b>							
301103-640030	Electric Vehicle Station Equip	\$8,000	\$0	0.0%			
301112-640120	Scanner - City Clerk	\$9,000	\$8,627	95.9%			
301161-600024	BCHA Affordable Housing Assist	\$486,120	\$486,121	100.0%		\$486,120	Completed.
301161-660241	Bike Share Program	\$10,000	\$0	0.0%	\$ 10,000		
301165-620098	Austin Niehoff House Rehab	\$52,500	\$0	0.0%			
301173-650035	ERP System	\$129,070	\$1,119	0.9%	\$ 129,070	\$129,000	MUNIS - still completing HR, Utility Billing & ESS Timekeeping modules  EnerGov - still completing CSS & Plan Review workflows; integration with Laserfiche Document Management
301173-650090	Rec Center - Copier Replacement	\$10,000	\$0	0.0%	\$ 10,000		
301173-650091	Rec Center - RecTrack SW	\$15,000	\$0	0.0%	\$ 15,000		
301191-640118	City Hall Security Improvements	\$30,000	\$0	0.0%			
301191-650094	Furniture & Fixtures-Planning	\$19,500	\$0	0.0%			
301211-620093	Camera System - Police&Courts	\$7,500	\$6,196	82.6%			
301211-640024	LTE D-Block Radio Program	\$22,660	\$64	0.3%	\$ 7,660		
301211-640026	Handheld Portable Radio Replac	\$45,730	\$44,396	97.1%	\$ 45,730		
301211-640106	Body Cams	\$24,170	\$0	0.0%	\$ 24,170		
301211-640115	Hazardous Waste Stg Container	\$5,000	\$0	0.0%			

Account number	Description	Amended Budget	YTD expenditures	% Spent YTD	Forward portion	Total 2018 Cost Estimate	Notes updated Quarterly (Last updated 6/30/18)
301211-650027	Toughbook, Prntrs, Dockng Stns	\$8,000	\$0	0.0%			
301211-650089	Police/Courts Records Mgmnt	\$300,000	\$0	0.0%	\$ 300,000	\$300,000	2 bids recv'd from initial RFP. Will separate police and courts and issue an additional RFP, to solicit more responses.
301216-620093	Camera System - Police&Courts	\$7,500	\$6,196	82.6%			
301216-620111	Court Security Project	\$16,000	\$1,211	7.6%			
301311-660202	Railroad Quiet Zones	\$2,326,570	\$63,348	2.7%	\$ 263,900	\$2,326,570	Design stages; preparing for PUC submission.
301311-660227	SH 42: Hecla Dr Traffic Signal	\$64,300	\$10,253	15.9%			
301311-660239	SBR Connectivity Feasibility S	\$125,300	\$1,678	1.3%	\$ 46,730	\$125,300	Hired consultant.
301312-630120	Bus then Bike Shelter	\$25,000	\$0	0.0%	\$ 25,000		
301312-650038	Lucity Software	\$25,000	\$7,738	31.0%			
301312-660012	Pavement Booster Program	\$2,216,470	\$93,583	4.2%		\$2,216,470	Under construction.
301312-660022	Concrete Replacement	\$349,000	\$9,110	2.6%		\$349,000	Construction 95% complete.
301312-660026	Street Reconstruction	\$2,115,700	\$908,841	43.0%		\$2,115,700	Under construction.
301312-660068	South Street Underpass	\$216,230	\$33,631	15.6%	\$ 47,180	\$216,230	Construction 99% complete.
301312-660079	SH42 Short Intersect De	\$199,350	\$12,611	6.3%	\$ 99,340	\$199,350	Design and easement acquisition successfully completed. Finall approval to bid from CDOT expected soon. Reevaluate project costs when bids received.
301312-660203	Contract Striping w/Epoxy Pain	\$75,000	\$0	0.0%			
301312-660222	SH42 Corridor Improvements	\$2,879,310	\$78,181	2.7%	\$ 384,200	\$2,879,310	Design and easement acquisition successfully completed. Finall approval to bid from CDOT expected soon. Reevaluate project costs when bids received.
301312-660226	Downtown Clay/Concrete Paver	\$125,000	\$5,510	4.4%		\$125,000	Design stages.
301312-660242	Campus Drive Alignment	\$18,700	\$6,005	32.1%	\$ 18,700		
301312-660247	DRCOG Traffic Signal Im	\$20,000	\$0	0.0%	\$ 20,000		
301312-660248	US36 BRT Pedestrian Imp	\$25,000	\$914	3.7%	\$ 25,000		
301313-660103	Median Improvements	\$35,000	\$2,339	6.7%			
301528-660068	South Street Underpass	\$216,230	\$33,631	15.6%	\$ 47,180	\$216,230	Construction 99% complete.
301528-660069	BNSF RR Underpass/N Drainage	\$111,000	\$0	0.0%		\$111,000	Design stages.
301532-640046	Fitness Equipment	\$88,810	\$0	0.0%	\$ 18,810		
301535-620058	Rec Center Dri Dek	\$10,000	\$0	0.0%			

Account number	Description	Amended Budget	YTD expenditures	% Spent YTD	Forward portion	Total 2018 Cost Estimate	Notes updated Quarterly (Last updated 6/30/18)
301551-620036	Library Improvements	\$110,000	\$64,627	58.8%		\$110,000	Mostly complete; additional purchases planned for third and fourth quarters of 2018.
301551-620100	Library Building Automation	\$0	\$99,922	0.0%			
301551-650088	Library Tween Space	\$5,000	\$0	0.0%			
301552-620038	Museum Campus Bldg Improvmnts	\$59,350	\$0	0.0%			
301552-620097	Historical Museum Campus	\$42,350	\$0	0.0%	\$ 20,850		
301553-620010	Steinbaugh Pavillion Improvs	\$35,500	\$35,820	100.9%	\$ 10,500		
301553-620099	Exterior Lighting - Arts	\$15,500	\$0	0.0%	\$ 15,500		
301651-650006	Main Street Patios	\$100,000	\$56,932	56.9%		\$57,000	CompLeted.
301651-660013	Dwntown Surface Prkg Expansion	\$100,000	\$0	0.0%		\$0	Project on hold; tied to development.
	<b>CAPITAL PROJECTS FUND TOTAL</b>	<b>\$12,940,420</b>	<b>\$2,078,604</b>	<b>16.1%</b>	<b>\$1,584,520</b>	<b>\$11,962,280</b>	
<b>REC CENTER</b>							
303120-620104	Rec Center Design	\$0	\$144,963	0.0%			Ongoing
303120-620105	Rec Center Construction Mgmt	\$0	\$49,125	0.0%			Ongoing
303120-620106	Rec Center Construction	\$28,877,270	\$6,629,542	23.0%	\$ 2,082,900	\$28,877,270	Ongoing
	<b>REC CENTER EXPANSION FUND TOTAL</b>	<b>\$28,877,270</b>	<b>\$6,823,630</b>	<b>23.6%</b>	<b>\$2,082,900</b>	<b>\$28,877,270</b>	
<b>WATER FUND</b>							
501498-600025	Fire Hydrant Painting	\$29,660	\$0	0.0%	\$ 17,160		
501498-640000	Motor Vehicle/Road Equipment	\$31,520	\$0	0.0%			
501498-640001	Machinery & Equipment	\$8,000	\$0	0.0%			
501498-640121	WTP Resvr Treat Boat etc	\$25,000	\$0	0.0%			
501498-660182	Water Line Replacement	\$1,275,090	\$200,167	15.7%	\$ 421,920	\$1,200,000	25% complete.
501498-660205	PRV Replacement	\$40,000	\$22,320	55.8%	\$ 40,000		
501498-660221	HBWTP Filter Media Replacement	\$138,410	\$122,759	88.7%	\$ 138,410	\$138,410	Closeout stages.
501498-660234	Tube Settler Replacement	\$1,218,390	\$347,995	28.6%	\$ 433,390	\$1,218,390	HBWTP closeout; SCWTP design.
501498-660237	Water Tank Intake Structure	\$105,060	\$0	0.0%		\$105,060	Bidding in process.
501498-660246	WTP Facility Painting	\$113,580	\$96,230	84.7%	\$ 113,580	\$113,580	Closeout stages.

Account number	Description	Amended Budget	YTD expenditures	% Spent YTD	Forward portion	Total 2018 Cost Estimate	Notes updated Quarterly (Last updated 6/30/18)
501498-668018	HBWTP Flash Mixer Replacement	\$7,890	\$7,883	99.9%	\$ 7,890		
501499-640116	Water Plants Disinfection Eval	\$564,520	\$140,730	24.9%	\$ 91,740	\$564,520	HBWTP closeout; SCWTP design.
501499-640117	WTP Instrumentation Upgrades	\$35,820	\$12,673	35.4%	\$ 35,820		
501499-650035	ERP System	\$4,140	\$162	3.9%	\$ 4,140		
501499-650038	Lucity Software	\$25,000	\$7,738	31.0%			
501499-650080	Water Facilities SCADA	\$166,970	\$52,425	31.4%	\$ 131,760	\$166,970	Closeout stages.
501499-660190	NCWCD-Windy Gap Firming Proj	\$905,000	\$0	0.0%		\$283,500	Desing stages.
501499-660207	SCWTP Pump Station	\$3,028,200	\$2,220,627	73.3%	\$ 1,155,700	\$3,028,200	Under construction.
501499-660208	Louisville PL Condition	\$250,000	\$0	0.0%	\$ 250,000	\$28,000	Bidding in process and expected to be in process into 2019.
501499-660210	Water Facilities Security	\$33,140	\$13,580	41.0%	\$ 33,140		
501499-660211	Howard Diversion Upgrades	\$134,000	\$0	0.0%		\$134,000	Design stages.
501499-660212	SCWTP Recycle Pond	\$52,530	\$0	0.0%			
501499-660230	HBWTP HVAC Upgrade	\$155,610	\$137,232	88.2%	\$ 73,060	\$155,610	Closeout stages.
501499-660231	Louisville Lateral Ditch Pipin	\$169,820	\$2,620	1.5%		\$169,820	Design stages.
501499-660232	Cent/McCaslin Hi Zone W	\$55,000	\$0	0.0%	\$ 55,000		
501499-660236	SBR Ditch Lining	\$84,050	\$0	0.0%			
501499-660243	Louisville Piepline Flo	\$247,400	\$17,664	7.1%	\$ 247,400	\$247,400	Design stages.
501499-660244	HBWTP Upgrades	\$399,130	\$49,455	12.4%	\$ 399,130	\$399,130	Under construction.
501499-660245	SCWTP Upgrades	\$480,640	\$227,148	47.3%	\$ 480,640	\$480,640	Under construction.
501499-660250	SWSP Eastern Pump Station	\$11,000	\$95	0.9%			
501499-670000	Water Rights	\$37,600	\$37,600	100.0%			
	<b>WATER FUND TOTAL</b>	<b>\$9,832,170</b>	<b>\$3,717,103</b>	<b>37.8%</b>	<b>\$4,129,880</b>	<b>\$8,433,230</b>	
<b>WASTEWATER FUND</b>							
502498-660183	Sewer Utility Lines	\$1,034,070	\$51,528	5.0%	\$ 214,580	\$1,000,000	Construction will commence in July 2018.
502498-660216	Reuse System Replacement	\$32,150	\$0	0.0%			
502498-660249	Steel Ranch Lift Station	\$50,000	\$0	0.0%	\$ 50,000		
502499-650035	ERP System	\$4,140	\$162	3.9%	\$ 4,140		
502499-650038	Lucity Software	\$25,000	\$7,738	31.0%			
502499-660153	Wastewater Plant Upgrade	\$1,139,040	\$510,457	44.8%	\$ 1,139,040	\$1,139,040	Closeout stages.
502499-660218	CTC Lift Station Controls	\$20,000	\$5,142	25.7%	\$ 20,000		
	<b>WASTEWATER FUND TOTAL</b>	<b>\$2,304,400</b>	<b>\$575,028</b>	<b>25.0%</b>	<b>\$1,427,760</b>	<b>\$2,139,040</b>	

Account number	Description	Amended Budget	YTD expenditures	% Spent YTD	Forward portion	Total 2018 Cost Estimate	Notes updated Quarterly (Last updated 6/30/18)
<b>STORMWATER FUND</b>							
503499-630024	North Louisville Drainage	\$189,000	\$0	0.0%		\$189,000	Design stages.
503499-630030	CCS Drainage	\$250,000	\$0	0.0%		\$250,000	Waiting on development of Coal Creek Station.
503499-630096	Detention Pond Maintenance	\$162,500	\$39,282	24.2%	\$ 47,000	\$180,500	Work will commence in July; need add'l \$180k to complete Community Park improvements.
503499-630128	Citywide Storm Sewer Out	\$87,730	\$6,506	7.4%	\$ 87,730		
503499-650038	Lucity Software	\$25,000	\$7,738	31.0%			
503499-660068	South Street Underpass	\$2,100	\$337	16.0%	\$ 2,100		
503499-660238	Goodhue Ditch Storm Wtr Divers	\$279,440	\$26,374	9.4%	\$ 23,940	\$279,440	Design stages.
503499-660251	Drainageway G Dillon Rd	\$150,000	\$0	0.0%		\$150,000	Design stages.
	<b>STORMWATER FUND TOTAL</b>	<b>\$1,145,770</b>	<b>\$80,237</b>	<b>7.0%</b>	<b>\$160,770</b>	<b>\$1,048,940</b>	
<b>GOLF COURSE FUND</b>							
520799-620112	Shelter Improvements	\$14,500	\$0	0.0%			
	<b>GOLF COURSE FUND TOTAL</b>	<b>\$14,500</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>\$0</b>	
<b>TECHNOLOGY MGMNT FUND</b>							
602120-650015	Computer - Hardware	\$50,000	\$13,065	26.1%		\$50,000	Items ordered, if not already paid for.
	<b>VEHICLE REPL FUND TOTAL</b>	<b>\$50,000</b>	<b>\$13,065</b>	<b>26.1%</b>	<b>\$0</b>	<b>\$50,000</b>	
<b>VEHICLE REPLACEMENT FUND</b>							
603211-640000	Motor Vehicle/ Road Equipment	\$144,690	\$102,010	70.5%		\$144,690	Vehicles ordered, if not already paid for.
	<b>VEHICLE REPL FUND TOTAL</b>	<b>\$144,690</b>	<b>\$102,010</b>	<b>70.5%</b>	<b>\$0</b>	<b>\$144,690</b>	
	<b>ALL FUNDS TOTAL</b>	<b>\$59,202,730</b>	<b>\$13,651,976</b>	<b>23.1%</b>	<b>\$10,028,870</b>	<b>\$55,576,470</b>	